



Third Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
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DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
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DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
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EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
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GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSON, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
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PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	River Heights	P.C.
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REIMER, Jack, Hon.	Niakwa	P.C.
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TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.
Vacant	Portage la Prairie	

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 5, 1997

The House met at 10 a.m.

PRAYERS

Introduction of Guests

Madam Speaker: Prior to Orders of the Day, I would like to draw the attention of all honourable members to the public gallery where we have this morning nineteen Grade 6 students from the Heyes Elementary School. These students are under the direction of Mrs. Noni Struthers.

This school is located in the constituency of the honourable member for Swan River (Ms. Wowchuk). On behalf of all honourable members, I welcome you this morning.

ORDERS OF THE DAY

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, we have a number of bills with which to deal this morning, and I have been asking my colleagues on this side of the House to deal with their bills this morning with as much dispatch as possible because I see there are also a number of bills that have already been the subject of some debate. We may make some progress today.

So, if you look at page 5 of your Order Paper, we would propose calling the bills for introduction in the order you see them unless I rise a little later this morning to make some adjustment in that. Following those introductions, Madam Speaker, I would ask you to call the bills in the following order: 8, 4, 9, 13, 23, 24, 26, 3, 6 and 36. Thank you.

SECOND READINGS

Bill 37—The Highway Traffic Amendment Act

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, I move, seconded by the Minister of Justice (Mr. Toews), that Bill 37,

The Highway Traffic Amendment Act (Loi modifiant le Code de la route), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Findlay: Madam Speaker, I am indeed pleased to introduce the bill to the House today. The amendments in this bill are the culmination of many months of consultation by my department with government and other stakeholder groups at the federal, provincial, municipal and public levels. The amendments support three major initiatives that will be implemented by my department this year. Additionally, we are taking the opportunity to make some progress in The Highway Traffic Act rewrite project by rewriting the provisions affected by one of the initiatives. As The Highway Traffic Act rewrite project is underway at the present time, we had hoped to keep amendments to a minimum. However, the highway safety environment is always changing, and Manitoba must keep pace with other jurisdictions to ensure interjurisdictional harmony and to protect its citizens. The bulk of the bill is in large part the rewrite changes we are introducing.

The bill introduces amendments related to the following three areas, Madam Speaker: First is the stolen and wrecked vehicle program. This is a new initiative for the monitoring and control of stolen and wrecked or, in other words, written-off vehicles. It is based on a national model developed by the Canadian Council of Motor Transport Administrators over a significant period of time. All Canadian jurisdictions—and I want to stress the point—all Canadian jurisdictions will have the program in place by the end of 1997.

B.C., Alberta and Quebec already have the program up and running, and the other seven provinces must get it in place this year. Failure to introduce this program will result in Manitoba becoming a dumping ground for stolen and written-off vehicles which, I am sure, all members of this House would not want to have happen.

We have currently the second highest rate of auto theft per capita in Canada. The MPI claims statistics from March 1, 1996, to February 28, 1997, in other

words, a one-year period, indicate that 9,856 auto theft claims for a total insurance cost of \$21.8 million have happened in the province of Manitoba. Auto theft claims costs have increased at a rate of approximately \$5 million annually since 1992.

The stolen and wrecked vehicle monitoring program is one step in a multifaceted approach the government is taking to deal with this escalating problem. When a vehicle is identified as stolen by a law enforcement agency, this designation will be placed on the registration file effectively prohibiting any transaction related to this vehicle.

A destination of some stolen vehicles is the scrapyard. Therefore, a further level of consumer protection will be introduced with the licensing of metal scrappers. Metal scrappers will be required to keep a record of motor vehicles purchased along with the name and address of the vendor.

I want to stress, Madam Speaker, that the people in this industry are currently doing this now. This just puts it into a requirement situation. Immediate reporting to the police will be required when a vehicle acquired by a metal scrapper shows evidence of being stolen or the vehicle identification number is defaced or obscured. Obviously when this happens there is something that is afoul with regard to that particular vehicle. These measures have strong support from the police community.

The program also provides for a permanent identification of motor vehicles that have been written off. This will be administered through identification of the vehicle status on the registration database and on the transfer of ownership document, which will travel with the vehicle. The vehicle insurer will identify if a written-off vehicle is repairable or salvageable. If the vehicle is irreparable, the vehicle can never be reregistered. If salvageable, the vehicle may be reregistered providing the vehicle passes body integrity and mechanical fitness inspections during its rebuilding process. The inspections will be performed by specialized inspection stations throughout the province.

The second initiative we are involved in, Madam Speaker, is the dual-plate program. This dual-plate

program has been announced previously, and we need to have the legislative changes to make it possible to put it in law. Certainly you are all aware we are introducing a very eye-catching, new Manitoba plate. Issuance of the new graphic reflective plates will begin in mid-June, in other words in a few days, for vehicle registration and renewals starting August 1, 1997. What that means is that the renewals will be mailed out in early June and the plates must be on by August 1 for those people whose dates are August 1.

We are also returning to a dual-plate system for most motor vehicles. The return to dual plates is primarily to aid law-enforcement efforts and thereby enhance public safety. There will be some exceptions to the dual-plate requirement. Dealers and repairer vehicles, semitrailer trucks, trailers, motorcycles and off-road vehicles will continue to display only one plate. Many provisions of the act are affected by the return to a dual-plate system; however, the actual changes are minor.

The third initiative is, Madam Speaker, charter bus and bus parcel express deregulation. This third initiative in the bill involves the economic deregulation of charter bus and bus parcel express operations. Under the Canadian agreement on internal trade, the federal government and the provinces are obligated to work toward the deregulation of the intercity bus industry.

At the request of the federal government, the Canadian intercity bus task force was set up to advise federal-provincial transportation ministers on the options for a future regulation of the industry. The task force included representatives of the federal government, the provinces and territories, and all national and regional bus industry associations. The task force recommends a complete economic deregulation of charter buses and bus parcel express.

* (1010)

Federal and provincial transportation ministers have approved the direction of these recommendations. The amendments in the bill will implement the task force recommendations and other provinces are also taking steps to work toward the deregulation of charter buses and bus parcel expresses by the end of this year.

Miscellaneous amendments. Madam Speaker, apart from the legislation necessary to support the above three initiatives, there are four miscellaneous amendments that are introduced in this bill. All these amendments are of a housekeeping nature, and I will not go into detail on them at this moment. A full description of the miscellaneous amendments and the major initiatives I have spoken of is provided in the summary and the spreadsheets which I have in front of me, which I will distribute to the critics opposite.

I certainly look forward to further discussing this bill in greater detail with my colleagues in committee. Madam Speaker, as you can see, the spreadsheets are a fairly thick document; I would ask my critics to look at it, read it over. It is not as significant as maybe the depth of paper would indicate, but I will commit to the critics opposite that I would be prepared to sit down with them and go through this in terms of sorting out the essential elements that I have touched on in my opening comments and have staff there also to review the intent and what we are doing to make it an understandable document.

With that, Madam Speaker, I thank you for the indulgence of letting me introduce this bill. I will pass the spreadsheets to my critics. Thank you.

Mr. Steve Ashton (Opposition House Leader): I move, seconded by the member for Swan River (Ms. Wowchuk), that debate be adjourned.

Motion agreed to.

**Bill 38—The Highway Traffic
Amendment Act (2)**

Hon. Vic Toews (Minister of Justice and Attorney General): I move, seconded by the Minister of Highways and Transportation (Mr. Findlay), that Bill 38, The Highway Traffic Amendment Act (2) (Loi no 2 modifiant le Code de la route), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Toews: Manitoba Justice and Manitoba Highways and Transportation have long been concerned with the level of safety on our public highways. We have been

particularly concerned about the threat to that safety created by the irresponsible individuals who drink and drive without regard for the lives of other Manitobans.

Since 1989, Manitoba has enacted the toughest anti drinking-and-driving legislation in Canada to address this serious threat to the public safety. These measures included administrative suspensions of driver's licences and vehicle seizures and impoundments. We were very pleased to see the significant impact of these new measures.

From 1986 to 1995, the annual number of actual impaired driving incidents in Manitoba decreased by 45 percent; driving while suspended offences decreased by over 44 percent between 1987 and 1994.

However, recent statistics have shown that this progress in reducing the amount of impaired driving has slowed considerably. Between 1993 and 1995, Manitoba has had an overall decrease in these offences by only 0.82 percent. My honourable colleague the minister from Springfield, the Minister of Highways and Transportation (Mr. Findlay), and I do not feel this is a sufficient level of protection for Manitobans. We have, therefore, found it necessary to introduce greater consequences for impaired drivers in Manitoba in this proposed legislation.

Bill 38 recognizes the results of research studies which clearly demonstrate that the significant impairment of driving abilities begins at a blood alcohol concentration of .05. At this level an individual's peripheral detection ability is reduced by as much as 20 percent. Being over a level of .05 exponentially increases the relative risk of accidents.

These amendments to The Highway Traffic Act will increase Manitoba's ability to hold offenders accountable for their actions and renew our efforts to improve the level of safety on Manitoba highways. In this legislation we will require a mandatory assessment for individuals who have two or more suspensions within three years involving a blood alcohol count over .05. Bill 38 will enable Manitoba to suspend a driver's licence if the assessment or recommendation, educational or treatment programs are not completed as required. This amending act will eliminate the right to use blood tests to challenge or prove screening devices

or breathalyzers. Bill 38 will also increase fees from vehicle impoundments from \$50 to \$75 and fees for appeals from \$35 to \$100. The appeal fees will remain refundable if the appeal is successful.

Madam Speaker, Manitoba has a consistent record of dealing severely with any drivers who wish to endanger the lives of others by the reckless choice to drink and drive on our roads. My colleague and I have introduced many amendments over the past several years to strengthen Manitoba's ability to deter this practice. We are proud to say that on an overall basis we have seen significant reductions in the number of impaired and suspended driving accidents. We believe that Bill 38, which is now before the Manitoba Legislature, is a crucial tool to help us continue to provide Manitobans with levels of safety they have every right to expect on our highways and we ask the honourable members of this House to support this measure. Thank you.

Mr. Steve Ashton (Opposition House Leader): I move, seconded by the member for Swan River (Ms. Wowchuk), that debate be adjourned.

Motion agreed to.

Bill 39—The Labour-Sponsored Venture Capital Corporations Act

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, I rise today to move, seconded by the Minister of Agriculture (Mr. Enns), that Bill 39, The Labour-Sponsored Venture Capital Corporations Act (Loi sur les corporations à capital de risque de travailleurs), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Downey: Madam Speaker, it is my pleasure to present for second reading Bill 39, The Labour-Sponsored Venture Capital Corporations Act. Bill 39 intends to allow for approval of additional labour-sponsored venture capital corporations in Manitoba to increase the supply of risk capital and to provide a fairly structured competitive environment for the existing Crocus Investment Fund. Our government is acutely aware that the supply of risk capital in

Manitoba marketplace is very limited, especially for smaller businesses. It is estimated that Manitoba companies could absorb twice the \$30 million of venture capital that is now available each year through provincially sponsored capital funds. [interjection]

The member for St. Boniface (Mr. Gaudry) has raised a question which I am prepared to deal with but not at this particular time, although in fairness to him he did not rise in his place, he interrupted from his seat.

We believe one viable means to provide additional risk capital is through new labour-sponsored venture capital corporations or LSVCCs. In fact, these funds are the fastest growing source of venture capital in the country.

Madam Speaker, you may recall that the Crocus Fund offers individual Manitobans the opportunity to receive federal and provincial tax credits of 15 percent for each annual investment of up to \$3,500 for a maximum combined annual tax credit of some \$1,050.

The existing Manitoba Employee Ownership Fund Corporation Act, assented to July 26, 1991, allowed for the creation of the Crocus Investment Fund, which came into being in 1992. This legislation is specific to the Crocus Investment Fund and does not provide for the creation of other labour-sponsored venture capital corporations. The new enabling legislation had to be acceptable to the federal government to ensure that the matching 15 percent federal tax credits would be available. It was also our intent that the Crocus Investment Fund would have a say on the amendments affecting The Manitoba Employee Ownership Fund Corporation Act or the Crocus act.

* (1020)

Similarly, we wish to create a level playing field so that new funds could compete fairly with Crocus. We have received comments from the management of the Crocus Fund and incorporated most of those comments in the amendments.

I speak briefly, Madam Speaker, to the structure of the new act. The new LSVCC act is based on the federal LSVCC model. It is like an automobile, like the serial number, as required to receive the federal tax

credit which most everyone is interested in, the federal tax credit, and any other tax credits that can encourage things to take place. I notice the member from across the way is smiling. He likes tax credits too.

The federal government conveyed an aversion to employee share ownership programs in the context of our labour-sponsored funds. In fact, the employee share ownership programs are not allowed in the federal model and so our proposed act could not incorporate the employee share ownership program. We recognize, however, that the employee share ownership programs are a key feature of the Crocus Investment Fund and the key reason Crocus does not wish to be incorporated under the new act.

Some of the specific components of the new act are to ensure that small- to medium-sized enterprises have a good opportunity to raise capital. We have to find eligible investee companies to include those which must not have total assets exceeding \$50 million immediately preceding an investment by the labour-sponsored investment company; must have 500 or fewer employees at the time of the investment and related entities; and must use all of their assets in an active business in which at least 50 percent of the employees are employed in Canada and a prescribed percentage are employed in Manitoba; and at least 50 percent of salaries are attributed to services in Canada and not less than a prescribed percentage in Manitoba.

So, basically, the principle that we are talking about is to make sure that Manitoba companies are in fact the major benefactors of the investments that are made in the labour-sponsored capital programs. I would think the members opposite would be very excited about this legislation, wanting to help small- to medium-sized businesses to invest in our province, to create jobs, to create economic activities that pay for the much needed social and educational programs that this province provides.

Consistent with Crocus and the federal model, the board of directors of a fund will be controlled by the labour sponsor, which has at least 50 percent of the voting shares at all times. Registration with a potential for many fund sponsors to submit proposals, the registration of a fund must not only be subject to certain conditions but also be at the discretion of the minister.

Otherwise, it could become difficult to control the tax costs associated with the LSVCCs, as has been the experience with Ontario's open registration system. So we have basically learned from what has happened in other provinces to try to make sure that it is a little more closely directed in our province. The funds will also be subject to an annual new share issue cap set by regulation. Currently, it is set at \$30 million. This will also serve to limit the tax costs and proliferation of funds.

I will just speak briefly, Madam Speaker, to the status in other jurisdictions. All other Canadian jurisdictions, save for Alberta and Newfoundland, provide for tax credits for the LSVCCs, that is, for the LSVCCs sponsored by either provincial or national labour organizations or both. Some provinces, notably the province to the west, Saskatchewan, have aggressively pursued the Immigrant Investor Program. Other provinces, such as Ontario, have used the labour-sponsored movement to develop a wide range of funds. The amount of available venture capital has increased sharply under both approaches. For example, Ontario raised some \$625 million in 1996 alone and invested \$180 million in the first nine months of 1996 under their labour-sponsored program.

Growing Manitoba companies need ever-growing amounts of risk capital, and that is the overall objective. The labour-sponsored funds are one way in which the province can encourage an increased supply of risk capital and put Manitoba money to work for Manitoba companies. Our government, Madam Speaker, believes that the labour-sponsored program model for generating investment capital for Manitoba businesses is a good model. The funds raised for the sale of shares to Manitobans stay within Manitoba to support economic growth and employment within our province.

I guess I did not have to read that after having just said it a couple of minutes ago, but I may say it again because I understand that you have to repeat things about three times before, with the general opposition members, it sinks in, and particularly the member for Burrows (Mr. Martindale).

An Honourable Member: Ten times.

Mr. Downey: Ten times. Is that how many times it takes? Well, we will see if we can do that.

[interjection] Madam Speaker, am I being abused? I think the member for Dauphin (Mr. Struthers) had a comment from his seat. I think the way things are slipping away from him in Dauphin, he is spending far too much time away from his constituency. Back to the legislation. [interjection] Well, Brandon-Souris and Arthur-Virden did quite well.

An Honourable Member: What happened in your constituency, Jim?

Mr. Downey: Fine. Madam Speaker, I am being interrupted here just something terribly.

We have structured the new legislation to complement the supply of risk capital now available from the Crocus Investment Fund. Bill 40, The Manitoba Employee Ownership Fund Corporation Amendment Act, or the Crocus act, is also before the Legislature which I plan to speak to after I get through this, for a second reading today as well.

We have drafted amendments to accommodate administrative amendments requested by the Crocus Fund and to achieve consistent treatment of investors choosing between Crocus and any new fund that may be created. As I said at the earlier part of my comments, I can see how excited the opposition members are, and I am sure they will be more than pleased to support this legislation as it moves through the House. I thank you very much for the opportunity to present this bill at this particular time. Thank you.

Mr. Tim Sale (Crescentwood): Madam Speaker, I move, seconded by the member for Dauphin (Mr. Struthers), that debate now be adjourned.

Motion agreed to.

Bill 40—The Manitoba Employee Ownership Fund Corporation Amendment Act

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, I move, seconded by the honourable Minister of Highways and Transportation (Mr. Findlay).

Madam Speaker: It has been moved by the honourable Minister of Industry, Trade and Tourism, seconded by

the honourable Minister of Highways and Transportation (Mr. Findlay), that Bill 40, The Manitoba Employee Ownership Fund Corporation Amendment Act; Loi modifiant la Loi constituant en corporation le Fonds de participation des travailleurs du Manitoba, be now read a second time and be referred to a committee of this House.

Mr. Downey: I am pleased to introduce Bill 40. At the outset, I want to say that I think it is a clear demonstration that the Crocus Fund and the legislation that was passed and I believe supported by the members opposite is a piece of legislation and an action taken by this government that we are extremely proud of. I would hope that the members opposite would stand in their place and compliment the government for the positive action that we took with this legislation.

Now, Madam Speaker, on with the explanation of the bill. The existing Manitoba Employee Ownership Fund Corporation Act is being amended after five years of operation and at the request of the Crocus Fund management to basically address some deficiencies and anomalies in the existing legislation, making the administration of the Crocus Investment Fund follow more closely the requirements for the administration of labour-sponsored venture capital corporations under the new Labour-Sponsored Venture Capital Corporations Act. Even though Crocus would continue to operate under its own act, it will be affected by the proposed amendments to The Income Tax Act. Those amendments will provide for a clawback of the tax credits and circumstances where a labour-sponsored venture capital corporation does not maintain a prescribed level of investment and eligible investments or where shares are redeemed before the end of the statutory holding period.

Crocus management has indicated that it is generally amenable to such changes applying to Crocus and its shareholders. Crocus management also identified a number of other changes required to address existing deficiencies and anomalies in the Crocus act. One of the anomalies identified by Crocus management is that an individual who acquires a share before turning 65 can have them redeemed after only four years without penalty, while an individual who acquires a share after turning 65 is subject to the seven-year holding period.

* (1030)

This arbitrary provision has caused some investment confusion and frustration. In light of recent federal changes which increased the holding period to eight years from seven years, we have removed the arbitrary provision so that Crocus will be consistent with any new fund and the eight-year federal provision.

Federal-provincial co-operation—Crocus management is aware of our position on this matter and has not expressed an objection. Our government believes that the successes of numerous Crocus Fund investee companies are due in large part to their access to risk capital that the balance of the financial sector was not willing or able to provide. This model for raising venture capital within Manitoba for Manitoba companies should continue to support Manitoba's prosperity and employment prospects.

Madam Speaker, I would hope that in view of the fact that this has come from the Crocus management, the board of directors are in general support of it and the members opposite I believe have not expressed major opposition to this principle in the past, that we could ask for and receive support from both parties in opposition and see this move expediently through the process of this Legislature. I am extremely pleased to introduce these amendments to the House and would hope that we could move it to committee very shortly.

Thank you, Madam Speaker. It has been my pleasure to introduce this to the House.

Mr. Stan Struthers (Dauphin): Madam Speaker, I move, seconded by the member for Crescentwood (Mr. Sale), that debate on this bill be adjourned.

Motion agreed to.

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, as we continue through the list attempting to schedule the bills, I suggest we put Bill 41 down to the bottom of the list of the second reading introductions and move to Bill 42, standing in the name of the Minister of Justice (Mr. Toews).

Bill 42—The Provincial Court Amendment and Consequential Amendments Act

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, I move, seconded by the Minister of Industry, Trade and Tourism (Mr. Downey), that Bill 42, The Provincial Court Amendment and Consequential Amendments Act (Loi modifiant la Loi sur la Cour provinciale et modifications corrélatives), be now read a second time and be referred to a committee

Motion presented.

Mr. Toews: The Provincial Court Amendment and Consequential Amendment Act addresses two important subjects. The first is the provision of a framework to address issues relating to justices of the peace. Secondly, the act makes a minor amendment to the provisions introduced in 1994 which have been in effect since 1995, January, and relate to complaints about conduct of Provincial Court judges and the issue of incapacity. The Provincial Court Act has undergone a number of changes since amendments were made to the manner in which judges are appointed, remunerated, and disciplined in 1989. However, the references relating to justices of the peace have not been amended since the act was introduced.

These changes that we are proposing will affect approximately 180 magistrates and justices of the peace in the system today. Approximately one-half of these people are civil servants and the remainder are community justices. One of the most visible changes in this amendment is to replace the term "magistrate or justice of the peace" with the term "justice of the peace." Although a magistrate is a term we are most familiar with, Manitoba is the only province or territory in Canada which continues to use this term. All other jurisdictions utilize "justice of the peace." We are moving in this direction to be consistent with the nine other provinces and two territories.

In addition, the Criminal Code only refers to Provincial Court judges and justices of the peace. It makes no reference to, and definition for, a magistrate. Justices of the peace provide a wide range of judicial functions. The level of independence from government required for these functions is not the same for each

function. This legislation is intended to articulate the requirements which must be met for senior justices of the peace and justices of the peace who are either civil servants or community justices.

For senior justices of the peace, they may preside at a trial and cannot be civil servants. For these individuals, the act provides for security of tenure, financial security, and institutional independence, the three tenets of independence. For justices of the peace who perform judicial functions at a lower level, more administrative level, and where independence from the government is not as essential, processes are identified for those areas of independence which are deemed necessary. However, for those justices of the peace who are civil servants, the act recognizes the role of the employing authority and the government's responsibility and commitment to the collective bargaining process.

More importantly, the act clearly articulates that when an act or a statute allows a justice of the peace to perform a function, the Chief Judge of the Provincial Court will be responsible for assigning the function to the justice and for informing the public what functions a justice may perform.

The act sets out a procedure by which all justices will be appointed. Over the last several years, the Department of Justice and the Chief Judge of the Provincial Court have piloted a process that ensures vacant positions were advertised in communities and that the community had the opportunity to participate in the selection process. This initiative has been successful in identifying qualified and competent justices and is included in this legislation in the form of a nominating committee. The responsibilities of the committee parallel those to the nominating committee for judges.

The act also identifies those individuals who may not hold judicial office because their work may represent a conflict with the responsibilities of a justice, such as a police officer, a corrections official, a prosecutor, or a practicing lawyer. The act also provides for a process to deal with complaints about the conduct of justices of the peace. The process is a three-step process involving a designated associate chief judge, a review by the Chief Judge, and on further appeal, hearings before the

Court of Queen's Bench. The legislation provides for communication to the complainant and a range of dispositions which may be imposed at any of the three levels of review.

Where the justice of the peace is a civil servant, a separate process is set out as well. The dispositions available mirror those in place for Provincial Court judges. The process of reviewing conduct of justices of the peace is different from judges, because the responsibility of justices of the peace is generally less complex than the judiciary.

Part VI of the act restates relevant provisions of the act and renumbers them. Some outdated sections of this part have also been removed. The act provides for transition to the new legislation. It is not expected that the act will be proclaimed until the Chief Judge and Department of Justice staff have had a full opportunity to review the implications of the legislation. This may also include necessary training in relation to the specific judicial function deemed essential in each location. A number of consequential amendments are also necessary to various provincial statutes. The substantive changes will ensure that the justices of the peace in Manitoba have the level of independence necessary for the specific functions they will perform. It will give the government and the Chief Judge the opportunity to look at more creative and community-based justice services. It will assist aboriginal communities in gradually assuming more responsibility in dealing with matters at their local level within the existing justice system and under the authority of the Chief Judge.

* (1040)

At the request of the judges of the Provincial Court, the act also makes some minor amendments to the definition of misconduct. Amendments introduced in 1994 included incapacity of a judge as one of three types of misconduct. The amendments separate out incapacity of a judge from misconduct and allows for issues of incapacity to be dealt with in an appropriate context, yet still within the parameters set out for reviewing complaints about a judge's conduct.

I am pleased to bring this bill to the House for consideration and discussion.

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

Motion agreed to.

Bill 43—The Law Society Amendment Act

Hon. Vic Toews (Minister of Justice and Attorney General): I move, seconded by the Minister of Government Services (Mr. Pitura), that Bill 43, The Law Society Amendment Act (Loi modifiant la Loi sur la Société du Barreau), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Toews: On February 18, 1994, the Law Society of Manitoba, together with other Canadian law societies, signed the interjurisdictional practice protocol agreement. The protocol facilitates a nationwide regulatory regime for the interjurisdictional practice of law, which promotes uniform standards and procedures while recognizing the exclusive authority of each signatory within its own legislative jurisdiction. The protocol includes a best efforts clause that requires all law societies who are signatories to the protocol to obtain from their legislative or supervisory bodies the amendments to their legislation which are necessary to implement the protocol. Additionally, the legislative amendments contemplated by the protocol create the regime necessary to facilitate the interjurisdictional practice of law allowed under NAFTA.

The Law Society Amendment Act, which affects the implementation of the protocol, will allow lawyers from other Canadian jurisdictions the right to practise law on an occasional basis in Manitoba and thereby offer members of the public access to legal advice and services that might not otherwise be available. Enhanced access to legal expertise and greater freedom of choice of legal counsel will be benefits realized by consumers of legal services from implementation of the protocol through legislative amendment. These services will be governed by rules that specify the required standards of professional conduct required of lawyers from outside the province and thereby ensure that the public is protected. The legislation will also define the standards applicable to Manitoba lawyers

who practise law on an occasional basis in other Canadian jurisdictions.

The Law Society Amendment Act also requires Manitoba lawyers practising occasionally in other Canadian jurisdictions to comply with the legislation regulation rules and code of professional conduct applicable to the members of the legal profession in that jurisdiction. The society is authorized to discipline a Manitoba member who is guilty of breaching the rules or codes of conduct applicable to his or her practice outside Manitoba. The legislation enhances the scope of the Law Society's reimbursement fund which is the special fund created for the purpose of reimbursing persons sustaining a pecuniary loss by reason of a lawyer's misappropriation or conversion of trust funds.

The amending legislation also allows lawyers from other Canadian jurisdictions, as indicated, the right to practise law in Manitoba on an occasional basis. Thank you.

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I move, seconded by the member for Thompson (Mr. Ashton), that debate on this bill be adjourned.

Motion agreed to.

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, I think it is clear now that we will not be proceeding this morning with Bills 44 and 53. We are trying to move these bills through as quickly as is practicable, so that honourable members opposite can deal with some of the bills that they have identified as well. Thank you.

Bill 45—The Manitoba Evidence Amendment Act

Hon. Vic Toews (Minister of Justice and Attorney General): I move, seconded by the Minister of Education (Mrs. McIntosh), that Bill 45, The Manitoba Evidence Amendment Act (Loi modifiant la Loi sur la preuve au Manitoba), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Toews: Madam Speaker, the object of this bill is to make procedural changes in the prosecution of provincial offences. This bill would create a right of appeal where the Provincial Court has ordered the Crown to disclose information to a person charged with a provincial offence.

In recent years, the Supreme Court of Canada has laid down the principle that accused persons are entitled to receive disclosure of all relevant information contained in the files of the Crown. The purpose of disclosure is to enable accused persons to make full answer in defence to the charges against them.

Madam Speaker, our government agrees with the principle of disclosure and supports it. However, in a number of recent prosecutions for provincial offences, the disclosure demands of defence counsel went far beyond the particular circumstances of the actual offence and were so expansive that responding to them placed an enormous burden on departmental time and resources.

Unfortunately, at the present time, the Crown has no immediate right to appeal a disclosure order in prosecutions for provincial offences. This means that in the cases I have described the Crown had only two choices, either comply with what would appear to be an overly broad order in its entirety or stay the charges.

The object of this bill is simply to give the Crown the right to appeal a disclosure order of the Provincial Court in proceedings involving the prosecution of a provincial offence. A right of appeal already exists with respect to disclosure obligations arising in civil litigation. Federal legislation creates a similar right of appeal with respect to prosecutions under the Criminal Code and other federal legislation, therefore the process proposed in this bill is not a novel one.

Ms. Rosann Wowchuk (Swan River): I move, seconded by the member for Elmwood (Mr. Maloway), that debate on this bill be adjourned.

Motion agreed to.

Bill 46—The Criminal Injuries Compensation Amendment Act

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, I move, seconded by the

Minister of Education (Mrs. McIntosh), that Bill 46, The Criminal Injuries Compensation Amendment Act (Loi modifiant la Loi sur l'indemnisation des victimes d'actes criminels), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Toews: Madam Speaker, the primary purpose of Bill 46 is to discontinue the practice of providing wage loss benefits to victims who were unemployed at the time of the offence. Section 23(4) of The Criminal Injuries Compensation Act provides for victims who are unemployed to receive wage loss at the provincial minimum wage rate. The department's position is that the wage loss benefit should only be paid where the injury actually impacts on the victim's ability to continue in a current employment situation, thereby resulting in a real loss of income. This approach to eligibility would bring the benefits to victims in line with those paid to other clients of the Workers Compensation Board, that is, eligibility is limited to employed applicants. It also brings Manitoba's practice in line with other provinces. Manitoba is one of two provinces presently which provide wage loss benefits to the unemployed.

The department is currently studying a report conducted on Victim Services in Manitoba and is in the process of reviewing its recommendations with municipal governments. Our intention is to introduce an enhanced Victim Assistance Program later this year or early next year. An objective of this exercise is to make those services more widely available, especially to rural Manitobans who have limited or no access to date.

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

Motion agreed to.

* (1050)

Bill 48—The Child and Family Services Amendment and Consequential Amendments Act

Hon. Bonnie Mitchelson (Minister of Family Services): I move, seconded by the Minister of

Industry, Trade and Tourism (Mr. Downey), that Bill 48, The Child and Family Services Amendment and Consequential Amendments Act (Loi modifiant la Loi sur les services à l'enfant et à la famille et modifications corrélatives), be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. Mitchelson: Madam Speaker, I am pleased today to introduce amendments to The Child and Family Services Act of Manitoba. This bill is consistent with our commitment to a renewed approach to building stronger families. It reflects the results of extensive public consultations with Manitobans which were conducted throughout the province during the fall of 1996. The consultation process provided an opportunity for individuals, groups and organizations to speak to issues relating to protecting children and strengthening families as well as other concerns they wished to raise.

We received many helpful suggestions and recommendations on ways to improve our ability to protect children. The bill addresses many of these recommendations made by the Child and Family Services Act review committee in its report, which I released in early May of this year. It reflects issues raised by judges, lawyers, agencies, staff and citizens since the current act was proclaimed in 1986.

Madam Speaker, strong families and communities are essential for the health and well-being of children. Families need to be supported and strengthened to ensure that they are able to provide and protect their children from abuse and neglect. While parents have the primary responsibility for caring for and nurturing children, there are important roles for communities and government to provide support and services where needed.

Our first and most important mandate as government is to protect children at risk and to minimize the trauma of abuse, neglect or family breakdown. Over the years our society has become increasingly concerned for the protection and well-being of children. Providing reliable and consistent services requires a strong set of rules and standards that are uniform across the province.

Madam Speaker, ongoing review of our legislation, such as the consultative process I mentioned earlier, is essential to ensure that our laws continue to deal effectively with the most important issues facing Manitoba children and their families. This bill proposes a number of amendments to the current act which will improve the protection of children. I would like to take this opportunity to mention some of the enhancements that are being proposed.

This bill gives the director of Child and Family Services powers to investigate, similar to those of the Children's Advocate. These changes reflect concern for ensuring more accountability in the delivery of child and family services. They allow the director to conduct investigations into alleged abuse of children by care providers and are consistent with the decision to license child care facilities under the act.

In addition, the bill will provide for the establishment of an independent abuse investigation unit that will be responsible for investigating all allegations of abuse of children in the care of Child and Family Services agencies and provincial institutions operated or funded by the province. Under the current act, there is no system for independent investigations of allegations of abuse of children while in care. This new provision will remove agencies from apparent conflict-of-interest situations which exist when they have investigative allegations involving children which they have placed in care.

The bill recognizes the important role of family and extended family members such as grandparents in the care and protection of children. Family members will be able to apply to court for access to a child. Existing provisions limit this right to exceptional circumstances. Nonfamily members will continue to be able to apply to court for access to a child in exceptional circumstances.

We believe that extended family ought to have a defined status before the courts, both for access to children in care and for access to children in cases where extended family might not have been granted access in the past under the exceptional circumstances rule. The amendments we have made acknowledge and strengthen the role of extended family in the interests of the child.

Madam Speaker, Manitoba was the first province in Canada to establish policy guidelines for the collaboration between agencies, the police, and health practitioners in the investigation of abuse of children. These guidelines are reflected in the legislation. This bill contains several provisions designed to enhance child protection investigations. The bill requires the police to share information with an agency that the agency reasonably believes is relevant to its investigation. It also allows agencies to report their conclusions following an investigation where a child is not in need of protection and where reporting will not jeopardize the criminal investigation. The bill recognizes the right of parents to a court hearing sooner than is currently the case. An application is returnable within seven court days from the date of filing or on the date of the next sitting of the court. Current provisions allow for 30 days.

In addition, where an agency has apprehended a child, the parent or guardian of the child will receive particulars prior to the hearing. The bill also streamlines the court process by allowing masters to hear uncontested matters. The bill strengthens provisions related to the reporting of persons who, in the course of their work, cause the child to be in need of protection or fail to report a child in need of protection to an agency. The bill includes all bodies or persons who govern the professional status of a person or who license or certify or otherwise authorize persons to carry on their work or occupation. It also requires such governing bodies or persons to advise the director of Child and Family Services of the results of any professional status review or disciplinary proceedings.

Madam Speaker, we want to ensure a process is in place which balances the protection of children through the listing of abusers' names on the Child Abuse Registry, with the rights of alleged abusers to have a fair and impartial hearing. This bill introduces amendments that will enhance the role of local child abuse committees in their consideration of allegations of abuse. The bill gives agency child abuse committees a more direct role in reviewing cases of suspected abuse and advising agencies of what action may be required to protect children. It provides recourse to the courts for persons who object to a decision of a committee to enter their name on the registry, replacing the current administrative review process. It eliminates

the registering of abused children, which is no longer required for case management, and which, at times, has added additional trauma to abused children and their parents.

The intention is to have a very informal procedure at the local level and to encourage resolution of issues through family conferencing, mediation or other alternative dispute resolution. The formal process, similar to that currently conducted by the Child Abuse Registry review committee, would be done through the Court of Queen's Bench. Persons on the Child Abuse Registry will be able to apply to court to have their names removed. The test for removal will be that the person is no longer a potential risk to children. Access to the registry will now be given to peace officers as well as agencies. Child Abuse Registry checks for screening persons will be broadened to include volunteers as well as employees.

* (1100)

Another matter addressed by this bill is the definition of child care facility, and the clarification of definitions of foster home and group home. These changes reflect the current practice of allowing foster homes to take up to four children and to exceed this number for sibling groups. The bill also improves the process for licensing these facilities by transferring the licensing function to the director of Child and Family Services, who currently has responsibility for ensuring the development of appropriate placement resources for children. This approach to licensing is consistent with procedures used in the licensing of child daycare facilities. Consistent with the principle that parents have the primary responsibility for the care of their children, the bill strengthens provisions requiring parents to contribute to the cost of care according to their ability to pay. These provisions include financial disclosure to allow agencies and the courts to determine contributions in accordance with regulations.

Madam Speaker, I am pleased to introduce this bill and certainly seek support from all members of this Legislature. It reflects the comments, suggestions and recommendations we received from the public and from stakeholders in the child welfare system. I believe that the amendments being proposed to the existing act through this bill will strengthen our ability to protect

children. These provisions will be valuable improvements to our legislation, and I urge all members of the House to support this bill, along with a companion bill that I will be introducing next week that will talk about the new separate independent adoption legislation. Thank you.

Mr. Steve Ashton (Opposition House Leader): I move, seconded by the member for Swan River (Ms. Wowchuk), that debate be adjourned.

Motion agreed to.

**Bill 49—The Statute Law Amendment
(Taxation) Act, 1997**

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, I move, seconded by the Minister of Justice (Mr. Toews), that Bill 49, The Statute Law Amendment (Taxation) Act, 1997 (Loi de 1997 modifiant diverses dispositions législatives en matière de fiscalité), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Stefanson: Madam Speaker, on March 14, 1997, I was pleased to deliver the 10th Budget Address of our government in which I announced our planned fiscal measures for the year. It was a milestone budget, capping nine years of careful and consistent stewardship of Manitoba's financial and economic policies, with provision for the first payment of \$75 million toward our accumulated debt. The budget presented no new taxes, no major tax increases, and froze major taxes for a record 10th year. It introduced strategically targeted tax reductions to aid small business in Manitoba, at the same time continuing our commitment to health care in Manitoba.

The legislative authority for the program additions, enhancements and restructuring announced on March 14, as well as for minor technical and housekeeping amendments, is provided by Bill 49, The Statute Law Amendment Act, 1997.

Madam Speaker, for greater understanding of members, I will provide the opposition critics with detailed explanations of the provisions of this bill prior

to the committee stage. Some of the key elements of Bill 49 provide that the corporation capital tax exemption will be increased from \$2 million in taxable capital to \$3 million effective for taxation years ending after January 1, 1998. This increase will free about 700 small corporations from the capital tax rolls allowing them to undertake new investments and create more jobs.

At the same time, the payroll tax exemption will be increased from \$750,000 to \$1 million of annual payroll effective January 1, 1998. Employers with annual payroll between \$1 million and \$2 million will pay tax on an adjusted basis. This measure will exempt 600 more employers, one-quarter of those now paying the tax and an additional 200 will pay less tax.

Madam Speaker, Bill 49 amends The Income Tax Act in several ways to further stimulate targeted sectors of the Manitoba economy. For example, Manitoba's manufacturing sector led the nation in growth in 1995 and 1996. Capital investment has surged, thanks in part to the temporary manufacturing investment tax credit. This bill builds on this momentum and provides stability to current and future investment decisions by extending the credit for a further three years until July 2000.

Bill 49 also introduces the Manitoba Film and Video Production Tax Credit. This new refundable credit will be equal to 35 percent of eligible salaries paid in Manitoba for an eligible film or video produced in the province by a qualifying corporation. This credit is available for the next three years. It will enhance the further development of Manitoba's film and video industries.

An expanding economy also requires human capital and to ensure that Manitoba's youth is well educated, the Manitoba Learning Tax Credit introduced last year provides refundable assistance equal to 10 percent of the eligible tuition fees paid to colleges, universities and technical training centres and 10 percent of the monthly education amount.

The 1997 federal budget announced a broadening of the definition of eligible tuition fees to include compulsory and auxiliary fees and the doubling of education amount from \$100 to \$200 per month over

two years. This bill modifies our learning tax credit to parallel a new definition of tuition fees and increased education amount. Bill 49 also provides income tax changes which allow labour-sponsored funds, tax credits and respective new provincially registered funds.

The successful first-time buyer retail sales tax rebate program introduced in 1994 is extended to the end of March 1998. Under this program, you will recall first-time buyers of a new never-occupied home in Manitoba are eligible for a rebate of the sales tax paid on materials used in the construction of their home to a maximum rebate of \$2,500.

Bill 49 offers fuel tax relief for mining and aviation effective October 1, 1997. A tax rate on aircraft gasoline will be reduced by 1 cent per litre. On the same date, the use of tax exempt coloured diesel fuel will be allowed for fuel used exclusively in off-highway mining activities with the transportation of ore from a Manitoba mine to a Manitoba processing centre and for mining ore recovery equipment.

As well, this bill introduces a truck decal fee to cover the increasing costs of providing services related to the international fuel tax agreement, which is simplified fuel tax compliance requirements for the trucking industry.

In addition, Madam Speaker, this bill reduces the tax administration burden for smaller businesses by simplifying tax filing requirements for remitters for both retail sales tax and the corporation capital tax.

Bill 49 also introduces measures that will enhance collection and enforcement pertaining to chronic, delinquent retail sales tax accounts. These measures level the playing field between the vast majority of businesses which comply with tax laws and those few that do not. I look forward to hearing all members' contributions. Thank you.

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

Motion agreed to.

Bill 54—The Animal Husbandry Amendment and Consequential Amendments Act

Hon. Harry Enns (Minister of Agriculture): I move, seconded by the honourable member for Rhineland, that Bill 54, The Animal Husbandry Amendment and Consequential Amendments Act (Loi modifiant la Loi sur l'élevage et modifications corrélatives), be now read a second time and be referred to a committee of this House.

An Honourable Member: There is no member for Rhineland. There is a member for Emerson.

Mr. Enns: Okay, I was just checking. [interjection] The Minister of Family Services.

Madam Speaker: It has been moved by the honourable Minister of Agriculture (Mr. Enns), seconded by the honourable Minister of Family Services (Mrs. Mitcheison), that Bill 54, The Animal Husbandry Amendment and Consequential Amendments Act; Loi modifiant la Loi sur l'élevage et modifications corrélatives, be now read a second time and be referred to a committee of this House.

Mr. Enns: Just by way of brief introduction, many of the changes that are being made in the Animal Husbandry and related types of legislation stem from the act that we passed in this Legislature last year, the new animal welfare act, or the new Animal Care Act.

Honourable members will recall that we had a situation developing a couple of years ago where puppies were being abused, and it was found that legislation was wanting the kind of responsibility. As to who was responsible for the welfare of animals, generally, was not always clear in older legislation that is housed in the Department of Legislation. So several pieces of legislation that I am bringing forward, stemming from that new act that we passed a year ago, called for changes in some of the existing legislation. I might indicate to honourable members that similar kind of reforms, if you like—although I should be careful about using that word. “Reform” is a word that we will have to get used to, I suppose.

* (1110)

Similar amendments are being made in virtually all other jurisdictions, including Ontario and provinces like British Columbia, are undertaking similar reviews of their legislation. The amendments to this act are of two natures. In some instances, it is just a question of repealing pieces of legislation that are no longer required as a result of the new act that we have in place. There is a particular section in the act that deals with respecting the identification and the future identification of livestock. We are not introducing in this legislation compulsory-brand legislation, but we are putting on the statutes the ability to respond to different kind of animal identification requirements that we feel in the animal industry that will be required.

It is as we move towards ever heightening regulations with respect to health and the sanitation issues involving, particularly, cultural livestock; that is, when producers use various forms of aids whether it is medication in the care of their animals, there are of course prescribed instructions as to their properties, so that unacceptable residues of antibiotics, for instance, and the likes do not end up in the food chain. It is, therefore, important, and we are being advised that major markets such as the United States, for instance, in the future will demand a tighter identification program be available, so that a particular load of cattle or hogs can be traced back, if you will, to the farm gate if, in fact, it is found that a producer has unwittingly or knowingly not administered some of the aids that we have in agriculture properly.

I do not think, Madam Speaker, that those of us who are responsible in the agricultural community have any difficulty with that. We recognize the importance that while we look after our animals—we look after our animals when they are sick and we take advantage of those medications that are made available to us—we do so with the full knowledge that the carefree prescribed instructions as to withdrawal times and periods have to be honoured when we use these kinds of programs in the raising of livestock.

The other issues that specifically had made mention under the old Animal Husbandry Act, of animals injured in transportation or otherwise in difficulty, these are being repealed out of the old Animal Husbandry Act because they are now more appropriately covered

in the animal care act that I referred to at the outset of my few comments here this morning, Madam Speaker.

There is also a section that used to be in the act with respect to artificial insemination. Some members may recall that the Department of Agriculture was extensively involved in that program some many years ago, but the industry has matured. Those, particularly in the dairy industry, have long recognized the importance of the use of artificial insemination as a means of genetically improving their stock and as a means of convenience in terms of reproduction. The regulations, old antiquated regulations, that are still found in The Animal Husbandry Act have not been applied, are simply not required anymore, so they are being repealed.

Madam Speaker, I know that my colleagues, certainly the member for Swan River (Ms. Wowchuk), will have every opportunity to review this act and discuss in detail the issues that these amendments raise with officials at committee stage. I commend it to the committee with the full knowledge that an enlightened number of members of the Legislature, both on this side of the House and on that side of the House, will see the vision, will see the progressiveness of this legislation, and after scrutiny will pass it into law following due consideration at committee level.

Mr. Steve Ashton (Opposition House Leader): I move, seconded by the member for Swan River (Ms. Wowchuk), that debate be adjourned.

Motion agreed to.

Bill 55—The Manitoba Hydro Amendment Act

Hon. David Newman (Minister of Energy and Mines): I move, seconded by the honourable Minister of Urban Affairs (Mr. Reimer), that Bill 55, The Manitoba Hydro Amendment Act (Loi modifiant la Loi sur l'Hydro-Manitoba), be now read a second time and be referred to a committee of the House.

Motion presented.

Mr. Newman: Madam Speaker, I commend this bill to the House, and I encourage all-party support for this very important piece of legislation.

The electrical industry within Canada and around the world is facing new challenges. In order to meet these challenges and to create new opportunities, this government is proposing modest changes to the legislation which guides the electrical industry in our province. Due to our unique situation, the design of the industry structure must involve a made-in-Manitoba solution to maximize the benefits for our province. We need to amend The Manitoba Hydro Act to ensure the continued success of this valuable Crown corporation.

Manitoba Hydro has been very successful in achieving high levels of service reliability, electricity rates that are among the lowest in the world and the best customer service rating in Canada. However, it needs to adapt to the evolving industry to ensure continued success in an increasingly challenging environment.

A major reason for Manitoba's low rates and high reliability is the high degree of interaction with neighbouring systems, especially in the United States. Export revenues reduce rates while the ability to import power provides reliability. Rapid dramatic changes in our neighbouring jurisdictions require that we update Manitoba's industry structure to protect and increase our \$250 million, roughly, in annual export revenues.

High prices in some jurisdictions are driving deregulation. While prices in Manitoba are projected to remain low for the foreseeable future, Manitoba Hydro must protect its significant stake in the export market and be well positioned to take advantage of the opportunities that an evolving industry offers.

The electricity industry is undergoing tremendous change. Customers are demanding new energy services, and new relationships are being forged within the industry to meet these demands. The new environment poses a threat to utilities that continue to follow only traditional methods of doing business. At the same time, it provides potential for significant new opportunities in revenues.

The current Manitoba Hydro Act was enacted in 1961. The language of the act needs to be updated to reflect current conditions. The major thrust of the amendments are in the following areas:

The legislation will ensure the capacity and freedom to protect and increase revenues in export markets.

The legislation will permit Manitoba Hydro to participate as a full member of the Mid-continental Power Pool called MAPP. The legislation will ensure Manitoba Hydro's access to transmission lines of MAPP members in the United States. In return, Manitoba Hydro must provide access on its transmission lines to other MAPP members in order to offer wholesale electricity to Winnipeg Hydro or Manitoba Hydro; in order to facilitate the development of independent power producers in Manitoba who could sell to other MAPP members.

The legislation enables Manitoba Hydro to establish subsidiaries for greater efficiencies and a flexibility to pursue new opportunities. It allows Manitoba Hydro to market and utilize its expertise to generate additional revenues which can be used to keep rates low for Manitobans. It enables Manitoba Hydro to build strong business relationships with its customers by providing enhanced power-related services they require. Manitoba Hydro's improved ability to build business alliances and create joint ventures will allow Manitoba's suppliers opportunities in markets they would not otherwise have.

The legislation also provides safeguards for Manitobans. These amendments preclude the change of ownership of the corporation, sale of shares, or sell-off of major assets. A specific clause in the legislation precludes retail competition without future legislative change. The Public Utilities Board will continue to regulate domestic rates, and the Public Utilities Board will ensure that appropriate accounting practices are in place for new ventures.

I am confident that this legislation provides positive overall benefits for Manitobans, and it strengthens our publicly owned Crown corporation which is respected and valued by all Manitobans. Manitobans will continue to benefit by our highly competitive low rates for electrical power. Manitoba Hydro's improved financial position will strengthen its abilities to do business in the future. Manitoba Hydro will maintain its excellent service reliability and its high quality customer service.

Overall, these amendments will protect and enhance a healthy Manitoba-based electrical industry. I would encourage all members to support this legislation. Thank you, Madam Speaker.

Mr. Steve Ashton (Opposition House Leader): I move, seconded by the member for Transcona (Mr. Reid), that debate be adjourned.

Motion agreed to.

* (1120)

Bill 41—The Regional Health Authorities Amendment and Consequential Amendments Act

Hon. Darren Praznik (Minister of Health): Madam Speaker, I move, seconded by the honourable Minister of Agriculture (Mr. Enns), that Bill 41, The Regional Health Authorities Amendment and Consequential Amendments Act; Loi modifiant la Loi concernant les offices régionaux de la santé et modifications corrélatives, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Praznik: Madam Speaker, I will speak very briefly to this. I know there are other issues pressing before the Assembly. By and large, this amendment act does two things. First of all, it amends the previously known as Bill 49 from last session, the act that allowed for the establishment of regional health authorities. It amends that legislation to provide for the establishment of two regional health authorities in Winnipeg, the Winnipeg Hospital Authority, the Winnipeg Long Term and Continuing Care Authority as well as a health care authority in the city of Brandon and ensures that they will have the same legislative parameters as the rural regional health authorities.

Madam Speaker, there are also several amendments of a housekeeping nature that we found that were required to deal with some oversights in last year's legislation. One in particular was the contemplation that municipal liabilities for hospitals and facilities to which they appoint the board were in the initial bill extinguished because it was felt all would evolve into

the regional health authorities. Some have chosen not to, and so the existing financial responsibility is being restored by this legislation.

Madam Speaker, there were also a couple of areas, I flag with my critic and with members of the opposition, arising out of the incident at Holiday Haven as well as some difficulties at the Dauphin hospital this winter. It was realized that there was no legislative authority for the Minister of Health to be able to step in and on an interim basis to manage a facility if patient care was at risk or the facility was in financial difficulty which it could not manage. That is provided for in this piece of legislation.

As well, Madam Speaker, it was also recognized that where Manitoba Health, the taxpayers of Manitoba, provide a capital contribution to a facility that there was some protection needed to ensure that before that facility could mortgage or in any way encumber that part of the capital that they would have to seek the permission of the government to protect the public investment.

I look forward to discussions on this bill in committee, and I believe members will find it very useful and an interesting piece of legislation. Thank you.

Mr. Steve Ashton (Opposition House Leader): I move, seconded by the Leader of the Opposition (Mr. Doer), that debate be adjourned.

Motion agreed to.

DEBATE ON SECOND READINGS

Bill 8—The Real Property Amendment Act

Madam Speaker: To resume second reading debates on Bill 8, on the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mr. Radcliffe), The Real Property Amendment Act (Loi modifiant la Loi sur les biens réels), standing in the name of the honourable member for Osborne (Ms. McGifford), who has 11 minutes remaining.

Is there leave to—no? Leave has been denied. Also standing in the name of the honourable member for

Kildonan (Mr. Chomiak). Is there leave to permit the bill—no? Leave has been denied.

Mr. Jim Maloway (Elmwood): Madam Speaker, I will be the second and final speaker on this bill for our caucus, and, at the end of my comments, we will be sending this particular bill to committee so that the public can be heard on the matter.

As the minister indicated in his address on the bill, this is primarily a bill of a housekeeping nature, Bill 8, The Real Property Amendment Act. In fact, Madam Speaker, the bill changes the district registrar reference to gender neutral language. The registration will be referenced by incident number and not by name, a move to protect the name of the mortgage holder. It also standardizes the fees for registering mortgages and removes the prohibition from amending the mortgage principal.

Now, Madam Speaker, the member for Osborne (Ms. McGifford) addressed this part of the bill, the element of the bill, very eloquently and adequately, I might add, so there is no need for me to repeat her comments at this time. We were also concerned that with this Land Titles Office becoming a special operating agency that in fact in the future some of the functions or, indeed, the whole SOA at some future date might be in fact privatized by this government. We are also concerned with the fact that the projections, the financial projections for the SOAs, this one and most of the others that deal with the public, that in fact the financial projections show that year over year there will be substantial improvements in the retained-earnings position of these SOAs. It has not gone unnoticed that with 1999 being a possible election year, we may in fact see the government making a political move in that. In the year 1999, the government may decide to deplete its retained earnings in several of these SOAs, in fact for election purposes and election purposes alone, engage in a major reduction in the fees charged to the public in an effort to buy votes in the election.

As the member for Thompson (Mr. Ashton) has indicated, and as I have indicated before, particularly through the Estimates process, it is possible that this government is developing a series of slush funds which will be used, which are designed and will be used by this government for its re-election purposes. We would

hope that that is not the intention of the government with regard to this SOA or any other SOA. When we look, Madam Speaker, at the SOAs, when we look at the financial projections for each and every one of these SOAs, we see substantial increases in retained earnings year over year, increasing to the year 2000. They are setting the stage here for big reductions in user fees come election time so they can buy their way into a new term of office. That is the plan of this government.

With those comments, I would like to move that we pass this legislation to committee.

Madam Speaker: Is the House ready for the question? The question before the House is second reading of Bill 8, The Real Property Amendment Act.

Is it the will of the House to adopt the motion? Agreed and so ordered.

Bill 4—The Steam and Pressure Plants Amendment Act

Madam Speaker: To resume second reading debate on Bill 4 (The Steam and Pressure Plants Amendment Act; Loi modifiant la Loi sur les appareils sous pression et à vapeur), on the proposed motion of the honourable Minister of Labour (Mr. Gilleshammer), standing in the name of the honourable member for St. Johns (Mr. Mackintosh).

Is there leave to permit the bill to remain standing? No? Leave has been denied.

* (1130)

Ms. Rosann Wowchuk (Swan River): I would like to take a few minutes to just speak on this bill that deals with ending the provincial responsibility to inspect liquid fertilizer tanks which now come under the federal department of transportation of dangerous goods. It is quite appropriate that we would be talking about this bill at this time of the year when there are many, many vehicles on the highways and municipal roads moving fertilizer to the farming community. In fact, when I was coming into Winnipeg this week, I had to take a detour because there was indeed a chemical spill on the highway from one of these tanks that

resulted in the police department keeping people off a four-mile radius from the vehicle to ensure that there was no problem.

The movement of these products does cause a lot of concern for people when it is on the highways. There is always a lot of question about whether these vehicles are properly inspected. I remember last summer having a discussion with people involved in the industry, and they talked about the duplication of inspection, but they also talked about the very real concern about the number of anhydrous tanks that are privately owned that are not inspected. What they were saying was if we have to have these kind of strict inspections, there must be inspections of the ones that are privately owned.

One of the fertilizer companies that I spoke to this spring in Brandon, Simplot, said that they do not accept private tanks into their yard if they are not inspected. So under the existing act, the province is responsible for visual inspection of all pressure vehicles every two years. With this bill, the government intends to eliminate possible overlap with the federal responsibilities under the Transportation of Dangerous Goods Act.

What the government is really doing, Madam Speaker, is privatizing the inspection. It is their intent—the federal government has a negotiated agreement with the Canadian Association of Agri-Retailers in which the association will administer the inspection program. This means industry and retailers will actually implement their own inspections.

Now, the minister in his comments said that the federal initiative generally affects the provinces of Saskatchewan, Manitoba and Alberta and that Alberta was discontinuing its follow-up program under the pressure vehicle legislation, and in Saskatchewan they were inspecting under a different scheme. But, in actual fact, Saskatchewan is not changing their legislation or regulations. They have already tightened up the regulations on their tanks, and the new federal laws apply, but in Saskatchewan, testing of both storage and cargo tanks is to be done at a minimum of at least every five years. In Saskatchewan, infield and nurse tanks are inspected only when they enter the province to ensure that they are constructed to specification.

So, Madam Speaker, we do not want to see duplication, certainly, and we do not want to see people in the industry have to pay an exorbitant cost to have their tanks inspected, but we do have concern that it is being turned over to the industry to do their own inspection and that the government is getting out of it.

We look at other areas where government has discontinued their inspections or where there are not enough inspections, and we look at the trucking industry and the numbers of accidents that we see in other provinces where other vehicles are not properly inspected. We had similar incidents in the Swan River Valley this winter where there has been an increased amount of trucks and vehicles on the road, and there were, in fact, three incidents where wheels came off the trucks and could have caused very serious accidents. So there is a need for government inspection and government standards, so we have some concerns with this legislation and the fact that the government is washing their hands of inspection and turning it over to the private industry.

We are prepared to let this bill go to committee where we will have the time, the opportunity, to ask more questions on it and get more detail, and perhaps we will be introducing some amendments, but I think what the government has to really look at is why they have reduced the number of people they have doing the inspections of these tanks. In Saskatchewan, they have hired more people to do inspections. Their total has gone up to a total of 11, whereas in Manitoba, I believe that there is only one person doing inspections, and that was the reason that things have fallen so badly behind.

So, Madam Speaker, with those few comments, we are prepared to let this bill go to committee. We also want the government to recognize that they do have a responsibility to ensure that, when we are moving product such as this, that we consider safety first and that there be a standard of inspection that will ensure that these tanks, which can indeed be very dangerous if they are not inspected properly—there have been many serious accidents in hydrous ammonia—that the government see their responsibility to ensure we have safety standards, and when products such as these have to be used in the move to ensure that the agriculture industry grows, that it is done at a safe standard and that the government does not think only about saving

dollars, but they think about the safety of those people involved in the industry and the people who travel the highways in this province where this chemical also has to move.

Thank you, Madam Speaker.

Madam Speaker: Is the House ready for the question? The question before the House is second reading, Bill 4, The Steam and Pressure Plants Amendment Act.

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

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

Bill 9—The Public Utilities Board Amendment Act

Madam Speaker: To resume second reading debate on Bill 9 (The Public Utilities Board Amendment Act; Loi modifiant la Loi sur la Régie des services publics), the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mr. Radcliffe), standing in the name of the honourable member for Kildonan (Mr. Chomiak).

An Honourable Member: Stand.

Madam Speaker: Stand? Is there leave to permit the bill to remain standing? [agreed]

Mr. Jim Maloway (Elmwood): Madam Speaker, I am pleased to put some comments on the record today on this Bill 9. I must say at the outset that this is the most problematic of the bills that this minister has introduced this session. As a result, we certainly are not in a position to be sending this bill to committee at this time, unlike some of the other bills that this minister has brought forward in this Legislature at this session.

Madam Speaker, I have several comments that I would like to make on this bill. Essentially what this bill does is, it allows the Public Utilities Board to step aside from regulating rates for services provided in a competitive environment. The minister claims that this will result in lower utility rates, but that is something

that we believe is certainly open to question and is unlikely to occur and, once again, only time will tell.

Madam Speaker, what is really happening here is a term known as “regulatory forbearance.” This is a term that has been used to describe what the CRTC has been doing for the last few years federally with respect to cellular phones, terminal services and resellers of long distance tolls. Essentially the way it is supposed to work is this. If it can be determined or if, in this case, the Public Utilities Board can determine that there is sufficient competition in a certain area, then it, after having some public hearings and some hearings, can decide to forbear or withdraw from regulation in that area.

So let us, for example, pretend for a moment that the retail price of gasoline was being regulated by the Public Utilities Board. It is not the case, but let us pretend for a moment that it would.

Under this legislation, the Public Utilities Board could in fact forbear and get out of regulating the gasoline prices on the basis that there is sufficient competition in the retail selling price of gasoline. They would argue that there are several companies selling gasoline in this province. They would argue that there are thousands of little retail gas stations selling gasoline and on that basis they would forbear and they would get out of regulation saying that they would leave it to the market because there is sufficient competition and yet I do not think there is a person in this province who would agree that there is any real competition in the retail price of gasoline.

Pretty much everyone knows that the prices are fixed, that price fixing goes on, that prices are fixed behind the scenes. In fact, the former Minister of Consumer Affairs just last year was planning to chase down and track down the federal government on this issue in an effort to do something to stop this blatant price fixing that has been going on for a number of years.

* (1140)

So there is an example of where regulatory forbearance would not achieve its intended purpose. They indicate, the minister indicates that natural gas levels have been deregulated at the wholesale level and

gas brokers have been operating in the business in the last few years purchasing natural gas at the wellhead level and distributing it. The fact of the matter is that there is really not a lot of competition in the area of the gas brokers.

If you want to take a look at this more you will see that the gas brokers have actually contributed in many ways to confusion among the public and very little in terms of results in terms of lower prices to the public. What they essentially do is go out and buy, unlike Centra Gas, they buy the gas on the spot market. They buy it at a lower price. Centra Gas transmits it to you and collects your money and at the end of the day you get a reduction in the price of that gas.

What the public do not really understand when they sign into these schemes is that their gas bill, of their gas bill, only a portion of it relates to the purchase of the gas. Most of it relates to the transmission charges and the flat fees and other costs. So a lot of them get quite surprised when their supposed 10 or 20 percent reduction amounts to no more than a couple of dollars a month. Because of some of the business practices of these gas brokers, a lot of people have been very confused and have gotten very upset and irate. When they sign up to these programs or they get involved in these programs, they get chased down through high-pressure sales methods, and they do not see the results. At the end of the day, they cause all sorts of problems for the system by phoning Centra Gas and tying up their lines and their workers and so on, and at the end of the day I really am not convinced that the gas brokers' initiative has proven to be as unfree, I guess, of problems as some people would indicate.

I would like to deal with the issue of this government's obsession with privatization and the selling off of MTS last fall. We all know that in setting up the telephone system for privatization, there were certain preliminary fundamental things that had to be done, and one of the things they did with the telephone system to set it up for privatization was split it into three units, which they have also done with Hydro right now. They brought in deregulation earlier than they had to, to get it into the market and reduce its revenues, and this we see. This is what we see in spite of the Minister of Northern Affairs (Mr. Newman), the Minister of Hydro's recent introduction of a bill

specifying that Hydro cannot be sold. All the other elements of the bill basically are unmistakably there, the elements for preparation, laying the groundwork for the eventual privatization of Hydro. So the government can profess all it wants that it does not want to sell and privatize Hydro, but we know, Madam Speaker, that is their goal at the end of the line.

Madam Speaker, it goes back to their philosophy. It goes back to the acquiescence of our governments, provincial and national, on the free trade deal. So, at a certain level, some of this is inevitable, and other elements of this trace directly back to their ideology. They will make no attempt to delay or fight the efforts by the United States and other ideologically based groupings in this country and outside this country to stop the privatization. In fact, they are essentially fifth column supporters, in a way, because what they are doing is they are doing all the preparatory work to achieve what these outside interests, in fact, want.

Madam Speaker, the outside interests will not rest. They will put pressure on us in different subtle ways and some not-so-subtle ways to enforce their desires to get Manitoba Hydro out of public hands. So, in a way, at the end of the day, it is not really a question of what this government wants, it is what we are going to be forced into over time by these outside interests.

So they can play around as much as they want with the wordings on the bill and suggest that somehow the bill is going to prevent them from privatization, but we know that is nothing more than just an effort on their part to buy time.

The minister claims that regulatory forbearance would occur only after discussion and public hearings and, Madam Speaker, get this, after decisions of the Public Utilities Board. Now we know what happened with public discussion with regard to the telephone system last fall. A poll was done last fall on the sale of the telephone system and, in fact, 78 percent of rural and 67 percent of urban people opposed the sale of MTS. Yet this government, in the face of those results totally ignored them. The poll meant absolutely nothing to them. So this bill, this government has very often been known to claim that the Public Utilities Board is a quasi-judicial board that is arm's length from the government and they had no say in what it did. It is

an independent body; it is separate from government. I have heard those comments made time and time again.

However, the government has a record of destroying the independence of the PUB in a number of areas, but particularly with their choice of appointments to the Public Utilities Board. They have indicated that the Autopac rates, for example, are being decided by the board, they have no political interference. Yet, they appoint people like a former PC candidate, PC candidate, Jenny Hillard, appointed to the Public Utilities Board. This has become a retirement ground, the Public Utilities Board has become the retirement ground for Tory hacks, for old Tory candidates, unsuccessful. I mean they do not even have a standard of success in their appointments. The standard is you have to be a rejected, defeated, old Tory hack. That is their criteria, and they call that political independence. That is this government's standard of political independence. So, on that basis, there is absolutely no way we can let this bill go to committee at this stage without further discussion and a further look at what this government is really up to with this bill.

Thank you, Madam Speaker.

Madam Speaker: As previously agreed, this bill will remain standing in the name of the honourable member for Kildonan.

Bill 13—The Insurance Amendment Act

Madam Speaker: To resume second reading debate on the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mr. Radcliffe), Bill 13, The Insurance Amendment Act (Loi modifiant la Loi sur les assurances), standing in the name of the honourable member for Kildonan (Mr. Chomiak).

Is there leave to permit the bill to remain standing?

An Honourable Member: No.

Madam Speaker: Leave has been denied.

Mr. Jim Maloway (Elmwood): Madam Speaker, well, I certainly will not spend as much time on this bill, and at the end of my comments, we will be sending this particular bill to committee for further examination.

Madam Speaker, what this bill does is essentially raise the minimum capital levels for insurance companies that are registered in Manitoba. What we are talking about here is of the 100-plus insurance companies that do business in Manitoba, we are talking about, I believe, four, five or six companies that are affected by these capital requirements and perhaps any new companies that would be formed in the future. In view of the fact that the current capital requirements are only \$2 million and in view of the fact that most other jurisdictions have been looking at and, in fact, acting on increasing their capital requirements to the area of \$5 million, and I have even heard \$10 million being raised, this legislation in many respects may be somewhat overdue.

* (1150)

What they are doing with this legislation, Madam Speaker, what the government is doing is they are taking their capital requirements out of legislation because up till now the capital requirement has been in legislation and the government would have to tie up the Legislature each time it needed a change. So what it has done is it is going to instill the capital requirements in the regulations. The result is that over the years the government will be able to increase—and I say “increase” because that is in fact what will happen—the capitalization requirements as the need warrants. I do not think, from a public point of view, that there is anybody in this province who would complain about the capitalization being increased because the landscape is littered with failed companies over the years that have cost taxpayers and people in the provinces a lot of inconvenience, a lot of headache, a lot of heartache and delays in getting their claims settled when companies have gone out of business.

I cite you a couple of recent cases—in Newfoundland, the Hiland case which has been going on a couple of years, as a recent example; York Fire in Toronto last year, and there have been cases in Manitoba—Northern Union's Strathcona, a whole number across—Advocate General—the country over the years that have created all sorts of problems in the public.

So, Madam Speaker, this is hardly a controversial change; one that we support and we willingly send this off to committee at this time.

Madam Speaker: Is the House ready for the question? Question before the House is second reading Bill 13, The Insurance Amendment Act. Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed

Madam Speaker: Agreed and so ordered.

Bill 23—The Manitoba Public Insurance Corporation Amendment Act

Madam Speaker: On the proposed motion of the honourable Minister charged with the administration of The Manitoba Public Insurance Corporation Act (Mr. McCrae), Bill 23 (The Manitoba Public Insurance Corporation Amendment Act; Loi modifiant la Loi sur la Société d'assurance publique du Manitoba), standing in the name of the honourable member for Elmwood (Mr. Maloway) who has six minutes remaining, and standing in the name of the—is there leave?

An Honourable Member: No.

Madam Speaker: No. Leave has been denied.

Also standing in the name of the honourable member for Transcona (Mr. Reid).

An Honourable Member: No, he is finished.

Madam Speaker: Okay, leave has been denied.

Mr. Steve Ashton (Thompson): I want to speak very briefly on this bill, but I want to indicate that I find it absolutely amazing that the government would bring in this amendment to MPIC which deals with an accounting matter but will not deal with the fundamental concerns being expressed by many Manitobans, and that is the fact that this government, when it brought in no-fault a few years ago, ignored the many suggestions and recommendations brought in by the opposition at the time that would have made it a fairer system.

I want to say, Madam Speaker, that I have met with many Manitobans who know first-hand that this government is heartless when it comes to dealing with

accident victims, and that is indicated by the fact that their annual report showed that before the introduction of no-fault they had in excess of \$190 million paid out to Manitobans in terms of injury claims.

And you know what happened under the no-fault. You know, we said there were ways of making sure it was a fairer system, taking a concept which is a good concept to get it out of the courts and make it into a fairer system. They said no. Well, you know what has happened, Madam Speaker? Payments to Manitobans injured in accidents have decreased to \$103 million, and even if you net out all the court costs, all the lawyers' fees, the net reduction to Manitobans is in the range of \$30 million to \$40 million.

Manitobans are not getting the injury coverage that they are paying for. Individual Manitobans who have been injured in automobile accidents have been shafted by this government because this government chose in 1993-94 to ignore 35 amendments brought in by the member for Brandon-East (Mr. Leonard Evans), brought in by the NDP that would have made it a fairer system.

They are turning Autopac into another Workers Compensation where they run a surplus at the expense of those who are injured and should be receiving benefits, and I point to the last report. Their surplus in the last report was \$43 million—\$43 million. That is an amount almost equivalent to what they have cut in the way of injury benefits, and I note, with some interest, that they are seeking further rate increases before the Public Utilities Board coming up.

I note that the bottom line is that this government is more concerned about running a surplus in this case than Autopac, and I believe for political purposes, than having a fairer system for those who are injured. Yes, Madam Speaker, I believe it is part of the general way they have dealt with Autopac. We know that this Conservative Party never supported Autopac. In the early 1970s when they passed the bill bringing in Autopac, the Tories wore black armbands at the time. You know, it was a black day for Manitoba. It was a sad day. What is interesting, they tried to sell it off in 1977-78. They tried to turn Autopac into an MTS in those days, and they were stopped at that particular point in time. They are now under pressure by the

Insurance Bureau of Canada to either partially or fully privatize MPIC.

Now does anybody trust the Tories with Autopac? Just look at it logically. It is like trusting the fox with the chicken coop. They opposed it in the 1970s. They tried to sell it off in the late 1970s. They just sold off our phone company. The bottom line is, I believe part of their agenda is not to listen to Manitobans on Autopac, because that fits in. They would love people to be upset at Autopac to build their case for privatization.

I want to say to the government that we are going to do our best to not only fight against the privatization of Autopac to make sure it is the system that it should be, a fair system, a system that deals with all Manitobans fairly, and that is something we are going to do because we know there are ways in which we can bring in amendments that can even improve no-fault. I say to the minister at the committee coming up, he may wish to restrict discussion to deal with this matter to the accounting change that is brought in by this bill, but we say if you are going to bring in a bill on Manitoba Public Insurance Corporation, let us deal with those 35 amendments, let us deal fairly with Manitobans who are injured in automobile accidents. Get away from your accounting bias, take off your accountant's hat, show some heart to the Manitobans who have been suffering under your system, that you brought in a no-fault system that took a good concept and brought in a usual Tory manner in a heartless way. I say we are going to fight in this session to improve Autopac because we want to improve Autopac, not sell it off like the Tories do.

Madam Speaker: Is the House ready for the question? The question before the House is second reading of Bill 23, The Manitoba Public Insurance Corporation Amendment Act.

Is it the will of the House to adopt the motion? Agreed?

Some Honourable Members: Agreed.

Madam Speaker: Agreed and so ordered.

Hon. James McCrae (Government House Leader): Madam Speaker, I believe there might be disposition

not to see the clock for a few minutes to allow a few more bills to be dealt with.

Madam Speaker: Is there leave to not see the clock at twelve to continue second readings? [agreed]

Bill 24—The Personal Property Security Amendment and Various Acts Amendment Act

Madam Speaker: On the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mr. Radcliffe), the second reading of Bill 24 (The Personal Property Security Amendment and Various Acts Amendment Act; Loi modifiant la Loi sur les sûretés relatives aux biens personnels et d'autres dispositions législatives), standing in the name of the honourable member for Burrows (Mr. Martindale).

Is there leave to permit the bill to remain standing?

Some Honourable Members: No.

Madam Speaker: No? Leave has been denied.

Mr. Jim Maloway (Elmwood): Madam Speaker, I will be the lone speaker, final speaker on this bill at this stage, and after a few comments, would move that we send this particular bill to committee.

Bill 24, believe it or not, is an unproclaimed bill that this government is amending. That may be a first in this House; I am not sure. This act has been amended several times over the last few years to harmonize our laws with those of the other provinces. The other purpose has been to bring under one piece of legislation many laws and regulations already in place. We have generally supported these changes in the past and do not oppose the current piece of legislation. The thing the bill seeks to provide for is a case of conflict arising from differences in real and personal property laws. The bill contains a provision to resolve disputes arising between a person with a leasehold interest of land which is personal property as security interest in rental payments under a lease of land and a person who acquires an interest in real property lease either by assignment of lease, sale of property, or by registered mortgage.

So, once again, other than the strange nature of this bill amending an unproclaimed act, we see nothing inherently wrong with this piece of legislation and move that it be sent to committee.

Madam Speaker: Is the House ready for the question? The question before the House is second reading of Bill 24. Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed and so ordered.

Bill 26—The Corporations Amendment Act

Madam Speaker: On the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mr. Radcliffe), Bill 26 (The Corporations Amendment Act; Loi modifiant la Loi sur les corporations), standing in the name of the honourable member for Thompson (Mr. Ashton).

Is there leave to permit the bill to remain standing?

Some Honourable Members: No.

Madam Speaker: No? Leave has been denied.

* (1200)

Mr. Jim Maloway (Elmwood): Bill 26, The Corporations Amendment Act, is another bill that we will be recommending be sent to committee to be dealt with at committee stage by the public.

Madam Speaker, this particular piece of legislation is response to the federal government's desire to withdraw from most aspects of superintending trusts and loan corporations. In fact, the functions of the federal superintendent will be assigned to the provincial director.

There is also an updating of the provincial act to bring it in line with other jurisdictions, and rules on authorized investments were made more flexible, conflict-of-interest rules are tightened somewhat and the reporting burden for trust and loan corporations are reduced. This particular legislation only applies to, I believe, 45 extraprovincial trust and loan corporations

and one provincially incorporated trust corporation currently operating in Manitoba. That one is Investors Syndicate, which is a fairly large operation in this province.

So with those comments, I would recommend this bill be sent to committee. Thank you.

Madam Speaker: Is the House ready for the question? The question before the House is second reading Bill 26, The Corporations Amendment Act.

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

Some Honourable Members: Agreed.

Madam Speaker: Agreed and so ordered.

Bill 3—The North American Environmental and Labour Cooperation Agreements Implementation Act

Madam Speaker: To resume debate on second reading of Bill 3 (The North American Environmental and Labour Cooperation Agreements Implementation Act; Loi sur la mise en oeuvre des accords nord-américains de coopération dans les domaines de l'environnement et du travail), on the proposed motion of the honourable Minister of Industry Trade and Tourism, standing in the name of the honourable member for Burrows (Mr. Martindale).

Is there leave to permit the bill to remain standing? No? Leave has been denied.

Mr. Stan Struthers (Dauphin): I am pleased to rise today and put a few comments on the record in terms of Bill 3, which is The North American Environmental and Labour Cooperation Agreements Implementation Act.

The first thing I want to point out is that one of the biggest concerns I have in looking at our country and this province's state right now is that we tend to keep losing the ability of our governments to govern. We keep looking at ways in which our provincial and federal governments can step back and not become involved in the day-to-day decisions that really can help or, in some cases, hurt the people that we represent.

I think it is absolutely irresponsible—the move that I see in this country and in this province to have governments step aside and not get involved in helping its citizens. That is what I see this Bill 3 is all about.

I want to point out, on the labour side of this bill, that this provincial government, through this bill, is supporting a federal government that did not even have the common sense to sign on and ratify the ILO agreement on child labour. Yet this government is stepping forward now and supporting the same federal government that ran in 1993 saying they would not sign the NAFTA agreement, supporting the same Liberal Party in Ottawa who voted against the Free Trade Agreement in the first place, went so far as to sing the national anthem in the House of Commons in its big fight against free trade.

Now we have a provincial government bringing on a piece of legislation that not only in a sense signs us on to the Free Trade Agreement and NAFTA, but also encourages the move away from governing. I would suggest that if this government does not want to govern, they should step aside and have somebody on the other side of the House who is willing to govern on behalf of the people of the province of Manitoba.

We see in this trend that has gripped our nation and gripped this province and this provincial government, we see agreements like the Multilateral Agreement on Investment that was a little bit of an issue in the recent federal campaign, an agreement that is being signed very quietly behind closed doors by the federal government, an agreement that again makes it easier for governments to not govern. Now, Madam Speaker, there is a good reason why governments should govern and should be involved. On the labour side, I think it was made very clear in the comments by my colleague the MLA for Crescentwood (Mr. Sale) that we need to provide labour protections for people in our country.

I want to focus just briefly on the environmental side of this Bill 3 and point out that, as our governments stand back and refuse to get involved in setting standards for the environment, that hurts Manitobans. That is exactly what is happening with this implementation act, this Bill 3.

The World Trade Organization is not too concerned about the environmental standards here in Manitoba.

Multinational corporations which will benefit from this Bill 3 are not that concerned with the environmental standards that we have in this province. They are out to maximize their profits. No shareholder of a multinational corporation is going to get too worried about water quality and air quality and, more importantly, the public process that is involved in any good environmental law. The multinational organizations and the World Trade Organization, the countries that sign on and become part of NAFTA or the Free Trade Agreement, are not going to be concerned about environmental standards the way our own provincial government should be concerned with environmental standards.

Madam Speaker, my big concern with Bill 3 is that we are stepping aside and allowing somebody else to decide for us what our environmental standards should be. I do not think that is good enough. I think this provincial government ought to show some courage in this area and make up its mind on whether it stands for the environment or whether it is going to support the profit motive of the corporations of the world and all these global organizations that are so dominant these days.

With that, I just want to say that I think this is a bad bill. I look forward to hearing presentations on this in public hearings. Thank you, Madam Speaker.

Madam Speaker: Is the House ready for the question? The question before the House is second reading of Bill 3, The North American Environmental and Labour Cooperation Agreements Implementation Act. Is it the will of the House to adopt the motion?

Some Honourable Members: No.

Voice Vote

Madam Speaker: No? All those in favour, please say yea.

Some Honourable Members: Yea.

Madam Speaker: All those opposed, please say nay.

Some Honourable Members: Nay.

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

Mr. Steve Ashton (Opposition House Leader): On division.

Madam Speaker: On division.

**Bill 6—The Natural Gas Supply Repeal
and Public Utilities Board Amendment Act**

Madam Speaker: To resume second reading on the proposed motion of the honourable Minister of Energy and Mines (Mr. Newman), Bill 6 (The Natural Gas Supply Repeal and Public Utilities Board Amendment Act; Loi abrogeant la Loi sur l'approvisionnement en gaz naturel et modifiant la Loi sur la Régie des services publics), standing in the name of the honourable member for Burrows (Mr. Martindale).

Is there leave to permit the bill to remain standing? No? Leave has been denied.

Mr. Jim Maloway (Elmwood): I am pleased to make a few comments on Bill 6 before we send it to committee to hear from members of the public.

Madam Speaker, Bill 6 is The Natural Gas Supply Repeal and Public Utilities Board Amendment Act. The name of this act, the repeal part of it, is a favourite with Tory governments everywhere. This Tory government, when they come in power, normally like repealing things. This is in keeping with that tradition.

Madam Speaker, this is an ideological move to repeal an act that the NDP government brought in back in 1987, when the government of the day was looking at taking over the gas company to operate it as a public utility, a move that, in retrospect, I certainly regret that we did not proceed with, with that particular initiative. Nevertheless, I guess there is always another day to relook at this issue.

Hon. James Downey (Minister of Industry, Trade and Tourism): Oh, is that right? The NDP are on the record. They are going to commit to nationalizing the gas company.

Mr. Maloway: In the meantime, Madam Speaker—well, I am pleased that the Deputy Premier is reacting, but at this point in time, the government will no doubt have its way on this issue and will succeed in repealing The Natural Gas Supply Act.

Anyway, thank you, Madam Speaker, and I move that we send this bill to committee.

* (1210)

Madam Speaker: Is the House ready for the question? The question before the House is second reading, Bill 6. Is it the pleasure of the House to adopt the motion?

Some Honourable Members: No.

Voice Vote

Madam Speaker: No? All those in favour of the motion, please say yea.

Some Honourable Members: Yea.

Madam Speaker: All those opposed, please say nay.

Some Honourable Members: Nay.

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

Mr. Steve Ashton (Opposition House Leader): On division.

Madam Speaker: On division.

To resume second reading debate—

An Honourable Member: Madam Speaker, shall we call it twelve o'clock?

Madam Speaker: Is it the will of the House to call it twelve o'clock? [agreed]

The hour being 12 p.m., as previously agreed, this House is recessed and stands recessed until 1:30 this afternoon.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 5, 1997

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ORDERS OF THE DAY

Second Readings

Bill 37, Highway Traffic
Amendment Act
Findlay 4507

Bill 38, Highway Traffic
Amendment Act (2)
Toews 4509

Bill 39, Labour-Sponsored Venture
Capital Corporations Act
Downey 4510

Bill 40, Manitoba Employee
Ownership Fund Corporation
Amendment Act
Downey 4512

Bill 42, Provincial Court Amendment and
Consequential Amendments Act
Toews 4513

Bill 43, Law Society
Amendment Act
Toews 4515

Bill 45, Manitoba Evidence
Amendment Act
Toews 4515

Bill 46, Criminal Injuries Compensation
Amendment Act
Toews 4516

Bill 48, Child and Family Services
Amendment and Consequential
Amendments Act
Mitchelson 4516

Bill 49, Statute Law Amendment
(Taxation) Act, 1997
Stefanson 4519

Bill 54, Animal Husbandry
Amendment and Consequential
Amendments Act
Enns 4520

Bill 55, Manitoba Hydro
Amendment Act
Newman 4521

Bill 41, Regional Health Authorities
Amendment and Consequential
Amendments Act
Praznik 4523

Debate on Second Readings

Bill 8, Real Property Amendment Act
Maloway 4524

Bill 4, Steam and Pressure Plants
Amendment Act
Wowchuk 4524

Bill 9, Public Utilities Board
Amendment Act
Maloway 4526

Bill 13, Insurance Amendment Act
Maloway 4528

Bill 23, Manitoba Public Insurance
Corporation Amendment Act
Ashton 4529

Bill 24, Personal Property Security
Amendment and Various Acts
Amendment Act
Maloway 4530

Bill 26, Corporations Amendment Act
Maloway 4531

Bill 3, North American Environmental
and Labour Cooperation Agreements
Implementation Act
Struthers 4531

Bill 6, Natural Gas Supply Repeal
and Public Utilities Board
Amendment Act
Maloway

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