

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, October 11, 1989.

The House met at 1:30 p.m.

### PRAYERS ROUTINE PROCEEDINGS INTRODUCTION OF BILLS BILL NO. 41—THE HIGHWAY TRAFFIC AMENDMENT ACT (4)

**Mr. Ed Mandrake (Assiniboia)** introduced, by leave, Bill No. 41, The Highway Traffic Amendment Act (4); Loi no 4 modifiant le Code de la route.

**MOTION presented.**

**Mr. Mandrake:** The reason why I propose this amendment, Mr. Speaker, is because at the present time there is nothing in The Highway Traffic Act which prevents the selling of the radar devices. This Act, which I am proposing to the Legislature, of course, will have that in, prohibiting the sale, selling of radar devices.

**QUESTION put, MOTION carried.**

### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to Oral Questions, may I direct Honourable Members' attention to the gallery where we have from the Pembina Crest School, twenty-one Grade 7 students under the direction of Leslie Mesman. This school is located in the constituency of the Honourable Member for Fort Garry (Mr. Laurie Evans).

Also with us this afternoon from the Angus McKay School, we have twenty Grade 5 students under the direction of Greg Holowka. This school is located in the constituency of the Honourable Minister of Energy and Mines (Mr. Neufeld).

On behalf of all Honourable Members, I welcome you here this afternoon.

### ORAL QUESTION PERIOD

#### Rural Services Decentralization

**Mrs. Sharon Carstairs (Leader of the Opposition):** In the Speech from the Throne in May the Government announced that decentralization was part of its rural development strategy and that a working group was established to examine how decentralization would be implemented. Soon, Mr. Speaker, communities in rural Manitoba will lose jobs and revenues as a result of the federal Government's announcement to move military bases out of Manitoba and to slash VIA service.

It is imperative that we begin to seek action from this Government with regard to decentralization, but when we were asking questions yesterday, Mr. Speaker,

of the Minister, the answers, to say the least, were somewhat fuzzy. Will the Minister of Rural Development tell the House this afternoon, in light of the Government's assault on rural Manitoba—the federal Government's assault—what measures has he taken specifically to expedite decentralization?

\* (1335)

**Hon. Jack Penner (Minister of Rural Development):** Mr. Speaker, of course the province, the Premier (Mr. Filmon), announced that we would take the decentralization initiative and therefore establish a committee which we have said numerous times out in public established a committee of the Deputy Minister of Rural Development and the former Minister of Finance with the Province of Manitoba, Brian Ransom, and they of course are looking at all aspects of decentralization and are going to present a report to this Government once they have finalized a report. I indicated that the other day, and if the Leader of the Opposition indicates that that is a fuzzy answer, then I do not know where she is coming from.

#### Rural Development Deputy Minister Reporting

**Mrs. Sharon Carstairs (Leader of the Opposition):** I have a supplementary question to the same Minister. In that his Deputy Minister is sitting on the committee as the co-chairperson, why is the Minister insisting that his Deputy Minister does not report to him?

**Hon. Jack Penner (Minister of Rural Development):** Again, I guess the Honourable Leader of the Opposition needs to recognize the reporting procedure when a Cabinet or the Premier (Mr. Filmon) asks a Deputy Minister to take on a function that is really outside of the role of being the Deputy Minister of a department. That is exactly what happened here. The Deputy Minister of Rural Development was asked to co-chair a committee that will report to Cabinet. Once the report has been able to be established and had finished the report, that is what will be brought to Cabinet, and Cabinet of course will deal with it.

**Mrs. Carstairs:** I have a supplementary question for the same Minister. Mr. Speaker, this Minister is the Minister for Rural Development. According to their own Speech from the Throne, Rural Development has as part of its component decentralization. Does this Minister not have any interest in his own department in the whole field of decentralization that he does not ask his Deputy Minister to report to him, to let him know the progress of this particular committee?

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please. Order. The Honourable Minister.

**Mr. Penner:** Mr. Speaker, it is obvious that the Leader of the Opposition has no respect for a line of authority, even when our Cabinet asks any Member of Government to be a part, or a very specific process, then those lines of communication are established. I would simply say to the Leader of the Opposition that if she expects me to intervene on behalf of the Cabinet before the report is presented and on a daily basis examine what progress has been made, I think she is simply again asking my Deputy to side-step his responsibilities and act in a very inappropriate manner. I would say that this would simply be—

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

### Rural Services Decentralization

**Mrs. Sharon Carstairs (Leader of the Opposition):** Can the Minister tell the House today if decentralization is considered to be part of the rural development ministry mandate?

**Hon. Jack Penner (Minister of Rural Development):** Mr. Speaker, the decentralization process is part of the executive council's as a whole responsibility, and therefore it is partially inherent that I should be involved in some of the decision making only after the committee has presented its report to Cabinet. Therefore, if and when the time comes to implement after the Cabinet decision, I will become involved.

\* (1340)

**Mrs. Carstairs:** Mr. Speaker, but you know they seem to be taking lessons from their federal counterparts in which you put the caboose before the engine. In this case, we have developed a committee Cabinet position, a new portfolio, Mr. Speaker, called Rural Development, and yet he does not think he has anything to do until after the committee reports.

### Inventory

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, has this Minister undertaken to do an inventory of all departments in Government, and what services they provide for rural Manitoba, and will he share this inventory with the House?

**Hon. Jack Penner (Minister of Rural Development):** Mr. Speaker, part of the responsibility of the—and I have said this before—Minister of Rural Development and the Department of Rural Development will be to play for all communities of rural Manitoba a co-ordinated role. Part of the inventory that the Leader of the Opposition is asking about is certainly an ongoing procedure that we are part of right now. I want to say to her that there are a substantial number of programs that are currently available to address some of the issues that she was talking about, and there might be others that can be developed to address some of the shortfalls that she has been implicating.

### Rural Development Minister's Position

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, with a final question to the Minister of Rural Development, we have a ministry whose Deputy Minister does not report to the Minister—

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**Mr. Speaker:** The Honourable Acting Government House Leader, on a point of order.

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I cannot help but note that the Leader of the Opposition (Mrs. Carstairs) on several occasions has a long and lengthy preamble to her question. I understand that in a new series of questions she is allowed certainly, Mr. Speaker, but this is the sixth in a series of long preambles, and I think that is out of order.

**Mr. Speaker:** Order, please. The Honourable Opposition House Leader, on the same point of order.

**Mr. Reg Alcock (Opposition House Leader):** Mr. Speaker, on the same point of order, perhaps if the Acting House Leader for the Government were to consult with the Government House Leader he would understand the procedures in the Chamber before he came in.

**Mr. Speaker:** Order, please. The Honourable Acting Government House Leader does not have a point of order. It is something that we have decided amongst House Leaders and myself that the Leaders of the three Parties have considerable leeway.

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**Mrs. Carstairs:** Mr. Speaker, I have a final supplementary to the Minister of Rural Development (Mr. Penner). I think clarification is in order. The Deputy Minister on the issue does not report to the Minister, he reports to Cabinet, so we are informed, but also the Minister has said that, yes, there are areas in which he does have an interest. Would he like to enlighten us all today and tell us exactly what issues of Rural Development are a concern to the Minister of Rural Development?

**Hon. Gary Filmon (Premier):** Mr. Speaker, just so I can take the Leader of the Opposition (Mrs. Carstairs) out of her misery, let me try and explain it to her very, very slowly. The Deputy Ministers sometimes can have more than one role, just as the co-chair of the Decentralization Task Force, Mr. Ransom, is the chair of Manitoba Hydro. He is not playing that role as co-chair of the Decentralization Task Force. Similarly, the Deputy Minister of Rural Development is not there because he is the Deputy Minister of Rural Development, solely because he has been asked by Cabinet to take on this co-chairmanship of this special committee which we want to report to Cabinet as quickly as possible,

cross all lines of Government departments, and come up with a plan for decentralization.

\* (1345)

So, in that role, he is not just there as the Deputy Minister of Rural Development, he is there as the servant of Cabinet, because Cabinet has set up that special task force. I wish the Leader of the Opposition (Mrs. Carstairs) would try and understand that.

### **Manitoba Hazardous Waste Corp. Pesticide Disposal**

**Mr. Gary Doer (Leader of the Second Opposition):** Mr. Speaker, my question is to the Premier (Mr. Filmon). This Government has consistently, in our opinion, taken the path of least resistance on major environmental issues in the province: the water objectives on the Rafferty-Alameda licence, The City of Winnipeg Environment Act, and today we have another announcement, equal to the First Minister's, dealing with the creation of a new group, called ACRE, to deal with pesticides in the province.

I ask the First Minister why he has rejected the advice of environmentalists, why he is rejecting the advice of Members of his own environmental department, and why he has not assigned the disposal of pesticides with the hazardous waste corporation rather than creating this new organization?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I might remind the Leader of the New Democratic Party, that during all the years he was in Government, the national group that assesses environmental protection across the country rated Manitoba as 10th of out 10 in protection of the environment. We have a major job to do here in Manitoba as a result of the neglect of six-and-a-half years of that administration that saw us at 10th out of 10.

We are trying to do a better job at addressing some serious and critical issues, one of which is dealing with pesticides. In that respect, the two Ministers responsible have set up a special group to ensure that issue gets addressed, because it never was in six-and-a-half years of his administration.

### **Manitoba Hazardous Waste Corp. Pesticide Disposal**

**Mr. Gary Doer (Leader of the Second Opposition):** Mr. Speaker, in 1987 a hazardous waste corporation was established in this Legislature. It was supported, I believe, by all Parties in this Manitoba Legislature. It has the expertise—the scientists, the engineers—to conduct this project. It was commissioned to do a pilot project on the disposal of pesticides in the Province of Manitoba.

Why has this corporation not been given the task in the province as has been recommended in numerous correspondence to the Minister? Why has he created this new body to perform this function? Why has he rejected the expertise and the competence of the

hazardous waste corporation which was set up to do exactly this, the disposal of pesticides in the province, working with the municipalities and the people?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, obviously the Leader of the third Party does not understand the manner in which rural Manitobans, farmers who are the first environmentalists in this province, are prepared to work co-operatively with the industry to deal with the issue of pesticide containers.

For him to say this in some way slights or by-passes the hazardous waste corporation, he simply does not understand that the Manitoba Hazardous Waste Management Corporation may very well tender to be the corporation that does the clean-up.

**Mr. Doer:** I understand fully with the correspondence from Members of his own department looking forward to the corporation's involvement in dealing with the disposal of pesticides and pesticide containers. I also understand there was an ad in the rural papers recently, burning pesticides, and asking for tendering of burning pesticides in the community of Russell. Something in his own report has demonstrated to be posing potential health risks to the local community. My question to the Minister is: why has not the pilot project and the involvement of the hazardous waste corporation been to lead the department of Government to deal with pesticides and their removal in Manitoba's agricultural communities across the province?

**Mr. Cummings:** Mr. Speaker, ACRE is an independent corporation that will be composed of representatives of the rural municipal organizations. MAUM, the Manitoba Association Urban Municipalities, will have representatives from the agricultural community, the Department of Agriculture and the Department of the Environment. It will have representation from farmers, at large, to deal with the issue of pesticide container disposal.

What we have here is an opportunity after the CPIC, the loosely formed organization of pesticide manufacturers, voluntarily collected money this year to put towards a fund to be used for pesticide disposal. That announcement that was made this morning. We have received confirmation and have made arrangements so that those funds, between \$575,000 and \$600,000, will be transferred from CPIC to ACRE in order that they can contract to have the clean-up of pesticide containers in this province begun and done properly, and work with the municipality to run all of these disposal grounds, work with them co-operatively to deal with the issue.

\* (1350)

**Mr. Doer:** Yes, there is a dollar fund for pesticide disposal. Yes, there is a need to deal with pesticides across the province, half a million litres, Mr. Speaker. There is a tremendous problem dealing with pesticides, nobody denies that. A Government department, a Crown corporation, a non-profit corporation was set up to deal with pesticides. It has been working on a pilot project all summer. Your officials have been

advising on the effectiveness of this pilot program. Why do you reject the Crown corporation being the lead instrument of Government dealing with pesticides and create this new body that does not have a board of directors, has not had a pilot project, does not have expertise in this area, and why is it not -(inaudible)-

**Mr. Cummings:** Mr. Speaker, as I said when I first came in the House, this Member obviously does not understand the expertise that the people are going to bring to the -(inaudible)- the agricultural people, the municipal people, and there is no reason for him to feel that the hazardous waste corporation will be excluded from this operation. What he is trying to do is build a case to create a monolith that handles everything in this province.

### Brandon Cabinet Office Services - Rural Community

**Mr. Gilles Roch (Springfield):** My question is to the Minister responsible for Rural Development (Mr. Penner). Yesterday during the discussion of the department's Estimates, the Minister failed to clarify exactly what type of service or function the Brandon Cabinet office provides. Can the Minister tell this House today exactly what specific function and/or services the Brandon Cabinet office provides to people of rural Manitoba?

**Hon. Jack Penner (Minister of Rural Development):** Well, Mr. Speaker, as I said yesterday in the Estimates, the Cabinet office in Brandon was very specifically established to serve the communities in the western part of the province, and the staff there act very many times as a co-ordinator to supply information and also to make provisions for Cabinet Ministers to meet with those people in rural western Manitoba. It serves a very vital and important function. The people of western Manitoba long ago wanted direct access to Executive Council and the Government had not supplied that service.

**Mr. Roch:** Mr. Speaker, I had difficulty hearing the Minister, but it seems to me he said somewhere in his answer about meeting with people. Can the Minister tell us why then, when inquiries were made to the Brandon Cabinet office in regard to Autopac, drought assistance, income support programs and other Governmental programs, all of the inquiries were referred to ministerial offices in Winnipeg?

**Some Honourable Members:** Oh, oh!

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

We are having some technical difficulty with our Hansard, and there are a few mikes that are not getting through the amplification.

Order, please. Order. I am having some difficulty in hearing the Honourable Minister. The Honourable Minister of Rural Development.

**Mr. Penner:** It is obvious the Liberal Caucus and that side of the House does not understand that the

Minister's offices are in Winnipeg in this building. Mr. Speaker, when inquiries regarding Autopac or Agriculture or any other ministerial functions are made of staff in the Cabinet office in Brandon, they of course would pick up the phone and say -(inaudible)- address this concern or can you correspond with the Premier. That is part of the function of the staff we have at our -(inaudible)- second function of that office -(inaudible)- I suppose the Member for Flin Flon (Mr. Storie) would not recognize the importance of a Cabinet office in northern Manitoba.

**Some Honourable Members:** Oh, oh!

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

\* (1355)

**Mr. Roch:** It is obvious, Mr. Speaker, that the office only serves as an answering machine according to the Minister. Why is 100,000 being spent on a glorified and elaborate answering machine when real services could be and should be effectively delivered in rural Manitoba?

**Mr. Penner:** It is obvious that the Rural Development Critic in the Liberal Party does not understand the importance of direct contact.

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, order. I am sure the Honourable Member would like to hear the answer to his question. Order, please.

**Mr. Penner:** The office in Brandon has served a very important function. It allows for organizations to meet with Cabinet Members, or our staff, our boards and commissions to use that facility to meet the public and discuss the issue with them.- (inaudible)-

### Brandon Cabinet Office Provincial Crisis Line

**Mrs. Gwen Charles (Selkirk):** Mr. Speaker, today the Minister of Rural Development has committed himself and his Party saying that they are looking at all aspects of decentralization. Yet on November 1, the provincial crisis line will not be centred in the province outside the Perimeter Highway, but will be centred in the City of Winnipeg. Can the Minister explain to me when he is wasting 100,000 to carpet offices in Brandon - (inaudible)-

**Hon. Jack Penner (Minister of Rural Development):** Mr. Speaker, it is a fact that the Liberal Party has no need for rural Manitoba.- (inaudible)- The establishment of the Cabinet office in Brandon was an indication by this Government that we want to -(inaudible)- provide the services that we have been looking for, for a long, long time and if the Liberal Party in this province calls that a waste of money.

**Mrs. Charles:** Mr. Speaker, earlier this year in Selkirk a woman needing rape assessment was turned away

from the Selkirk Hospital because the doctor was not able to do the rape assessment in Selkirk. It took hours phoning around the City of Winnipeg to find a hospital where she could get this assessment. How can the Minister justify wasting \$100,000 on a 1-800 number in Brandon when people need services in rural Manitoba?

**Mr. Penner:** The Member for Selkirk is right.

**Some Honourable Members:** Hear, hear!

\* (1400)

**Mr. Penner:** They do need the services of Government. That is why we have announced the initiative to decentralize and bring closer to the people some of the services that Government can provide. If the Honourable Member deems it a waste of money to provide a service that Westerners -(inaudible)- time in providing Executive Council support in that area, if that \$100,000 that we are spending there to support that office and bring Government closer to people, if she deems that a waste of money, then the Liberal Party I think had better -(inaudible)- for Manitoba.

**Mrs. Charles:** Can the Minister explain how \$100,000 spent on 1-800 number service in Brandon is going to help people in crisis in Selkirk, or in other areas where there is no mental health worker in Selkirk, there is no abuse counselling in Selkirk, and there is no department crisis line? How is that money going to be of any service if all it is is a 1-800 number and you are letting people in crisis go on and on daily?

**Mr. Penner:** Mr. Speaker, the Honourable Member for Selkirk thinks she has no responsibility in her term in office. The employment of people in Brandon to bring Executive Council, to bring the Cabinet closer to the people, to bring the decision-making process closer to people, if she deems that a waste of money, again I say to her that she is going to have to answer to her people, her own constituents in that regard because her own constituents, time and time again, when dealing with myself and my colleagues, have asked for services much closer to them—

**An Honourable Member:** You can use my office, it is for free.

**Mr. Penner:** And we will, as the Minister of Health (Mr. Orchard) has indicated a number of times right here in this House.

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order. I am sure Honourable Members would like to proceed.

### Legislative Library Act Contravention

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, I have a question for the Minister of Culture, Heritage

and Recreation (Mrs. Mitchelson). In light of the fact that Section 12(1) of The Legislative Library Act requires that no person shall remove public records from files or offices of the department or agency of Government, or from the possession or control of a department or agency of Government, will the Minister assure the House that she will uphold this Act and guarantee that no records, including those computerized records handled by the Manitoba Data Services, will be allowed to be passed on to private companies or persons outside of the Government department or agency?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I am sure the Member is referring to the essence of a letter that has been received by the Premier (Mr. Filmon), I believe today, from the Manitoba Government Employees' Association to draw certain matters to the attention of the Government. Let me say to the Member opposite that we deem this to be a serious matter, and we will look into the essence of the letter in detail.

**Mr. Leonard Evans:** Well, obviously my question is to the Minister of Culture. However, I appreciate the answer.

### Manitoba Data Services

**Mr. Leonard Evans (Brandon East):** My second question is this. Obviously she has not been aware of this Act. I wondered whether she had discussed previously, or had brought this matter to the attention of her colleagues and instructed them that the sale of MDS would definitely contravene the intent of this Act.

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, my previous answer still holds. We will be looking into this matter in a legal fashion and report in due course.

### Freedom of Information Act Obstruction - Finance Minister

**Mr. Leonard Evans (Brandon East):** Since the Minister of Finance likes to answer questions, I would like to ask him directly: will the Minister now reconsider his gag order which contravenes The Freedom of Information Act disallowing the request, a very simple request for information on types of records handled for each department by the Manitoba Data Services? Apparently, one department at least is ready to accommodate. Will the Minister now remove that gag order?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, let it be known, let it be shown on the record that freedom of information legislation which was passed by the former Government, proclaimed by this Government, allowed the Government to interpret certain sections of that Act which in some certain cases allowed for the holding back of information during delicate negotiations and discussions. That is being put to the test. Members opposite or somebody, I believe the Government Employees' Association, has made reference, has taken the matter to the Ombudsman

who presently is investigating, and no doubt will be coming forth with some conclusion, I would think, in the matter of a few days or a few weeks.

Mr. Speaker, the Government looks forward to that conclusion and indeed will do whatever is recommended by the Ombudsman. This is a new test of new legislation. I think we will all learn from it.

### **Sexual Abuse Group Home Monitoring**

**Ms. Avis Gray (Ellice):** While it cost taxpayers \$100,000 to set up meetings with Executive Council, there are serious service provision problems in the Department of Family Services. At Child and Family Services meetings, we are being told that workers cannot even investigate serious sexual abuse cases. Family Services staff are telling us they do not monitor in group homes for the mentally handicapped because their workloads are too great.

My question is to the Premier. What resources has this Government made available in this year's budget so that the necessary staff will be made available to deal with the urgent sexual abuse cases?

**Hon. Gary Filmon (Premier):** Mr. Speaker, we have at all times indicated a very firm commitment to fight child abuse, sexual abuse, spousal abuse, all of those matters. We have done so by virtue of amendments that are going to be brought in with respect to The Education Act this year. We have done so by virtue of providing shelter for abused spouses. We have done so by providing massive increases to fighting abuse in this province. We will maintain a very firm commitment to that, and I say to the Member for Ellice that at all times the issue of abuse, whether it be of spouses or children, sexual abuse or otherwise, will be treated very seriously and be given adequate resources to fulfill the need.

**Ms. Gray:** That does not address the workload that these staff face. With a supplementary to the Premier (Mr. Filmon), can the Minister indicate why his Government has not made extra resources available so that there will be adequate Community Services staff to monitor mentally handicapped group homes so that we do not have problems occurring such as the unfortunate death of Russell Smith?

**Mr. Filmon:** As the Member knows full well, there was not only an extensive inquest into the death of Russell Smith but later a report and review by one Harry Wiens into the matter of all of the procedures and all of the support services that were required to ensure that in future a tragedy such as the death of Russell Smith would not occur. We have accepted all the recommendations and are systematically going through the recommendations to adopt them as quickly as we can provide the resources and the people to do so.

I might indicate to the Member for Ellice (Ms. Gray) that in Family Services this year the overall budget was increased at over 9 percent, more than double the average rate of increase of all departments across the

provincial service. Similarly, last year the increase was around 9.5 percent to Family Services. We are making a strong commitment to address the very many problems that are out there. But as somebody who ought to know, Mr. Speaker, I say to the Member for Ellice that there are so many problems out there in the social and family services field that we must be given the time to implement all the solutions.

\* (1410)

### **Family Services Associate Deputy Minister**

**Ms. Avis Gray (Ellice):** Mr. Speaker, this is a final supplementary to the Premier.

I find it interesting that you need time to deal with these serious problems. Perhaps the Premier can tell us why he has so quickly prioritized the hiring of an Associate Deputy Minister, a brand new position at \$80,000 a year salary to prop up his Minister of Family Services (Mrs. Oleson) when the children, the mentally handicapped in this province are deprived of service.

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order. Order, please. The Honourable First Minister.

**Hon. Gary Filmon (Premier):** Mr. Speaker, I realize that the Member for Ellice (Ms. Gray) of course does not care about accountability, does not care about providing services in an efficient and cost effective manner, has no concern about financial restrictions. Every day in this House she gets up and just says, throw money at the problem; Friday she says give more money, increase the welfare rates in Manitoba; the day before that she says give more money to the day care workers; the day before that she says throw money into mentally handicapped. Every day there is that.

If she knew anything about the provision of Family and Community Services, she would know that year upon year the Auditor has complained about the lack of financial accountability within that department, has made statements to the effect that he was concerned about us getting value for every dollar that was spent.

So, first and foremost, when we are putting massive increases, 9.5 percent last year, 9 percent this year, and we are not getting the results that we ought to, we have to have in place an Assistant Deputy Minister to ensure that the financial controls, the financial accountability, are adequate to the tasks at hand, Mr. Speaker.

### **Final Offer Selection Information Release**

**Mr. Steve Ashton (Thompson):** Mr. Speaker, since the provincial Government introduced its Bill repealing final offer selection last year, we in the New Democratic Party have been urging the Government to give final offer selection a chance to study it, to recognize the fact that it has been working here in Manitoba. The

Government has refused to do that. Not only that, they have also now denied information to outside observers, including a professor at the University of Winnipeg, giving complete information on final offer selection.

Just this morning, I received information from the Labour Board which had the details cut off it, censored. I would like to ask the Minister of Labour why is she afraid to give the full details on final offer selection to the public? Is she afraid that it is going to be proved to be working, and that it is going to destroy the Government's face in terms of removing it?

**Hon. Gerrie Hammond (Minister of Labour):** Mr. Speaker, we have no fear at all about giving information. The case that the Member was talking about is specialized information that one Party is asking for, and if we ended up having to give that type of information everywhere it was going to be a very large cost.

As far as FOS is concerned, we have said it before and maintain that last year, six of the 11 work stoppages lasted between 77 and 99 days. In all six of those cases, application for final offer selection was made and that has been much longer than any other year.

**Mr. Ashton:** Mr. Speaker, why was this information provided up until September of 1988? Why is the Minister, if part of this Government's freedom of information that talks about being an open Government, now denying the information not only to that individual but to anybody who phones and requests it?

**Mrs. Hammond:** Mr. Speaker, we have no problem with giving any type of information to people who ask. If it is reasonable, it is given. If the Member will bring that to my attention, then I will specifically give him the actual wording on it.

**Mr. Ashton:** I have a final question, Mr. Speaker. Will this Minister commit herself to providing complete details on final offer selection so that if this Government is unwilling to research it to give it a chance, it will give other members of the public in Manitoba access to the information, access that was provided until they cut it off in September of 1988?

**Mrs. Hammond:** Mr. Speaker, any of the information we have that is public information is available to the Member. Any of the research that we have done on final offer selection, that is no problem at all to give to the Members. But we are not going to go into a really costly analysis to supply to the Opposition when they could possibly get it through freedom of information, but they would end up having to pay for it.

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

#### ORDERS OF THE DAY

**Hon. Clayton Manness (Acting Government House Leader):** Mr. Speaker, today is Wednesday and we will be discussing Bills. I wonder if you may call the following Bills in this order: Bill No. 42, Bill No. 53, Bill No. 27, followed by Bills 31, 32, and 6 and the remaining Bills on the Order Paper in the proper sequence.

#### SECOND READINGS

#### BILL NO. 42—THE RESIDENTIAL TENANCIES ACT

**Hon. Gerald Ducharme (Minister of Housing)** presented, by leave, Bill No. 42, The Residential Tenancies Act; Loi sur la location à usage d'habitation, for second reading, to be referred to a committee of the House.

**MOTION presented.**

**Some Honourable Members:** Oh, oh!

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

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**Mr. Speaker:** As I indicated previously, we are having some technical difficulties with our Hansard.

The Honourable Minister of Housing (Mr. Ducharme) is about to introduce for second reading, Bill No. 42. I am advised that his mike is not working. So, for the benefit of all Members, would there be leave, to allow the Honourable Minister to move down one bench? Would that be agreed? Would there be agreement to allow the Honourable Minister to move down?

**Mr. Reg Alcock (Opposition House Leader):** I found Question Period quite difficult because it is very hard to hear what people are saying. I am wondering, if the equipment is not working, whether or not we should recess until the equipment is fixed, and then come back in and continue the work of the Government. It is very hard to do the work that needs to be done in this Chamber if you cannot hear the Member.

**Mr. Speaker:** Order, please. On that same point raised by the Honourable Member, we have the technical staff in the back right at this moment, fixing a switch box I believe, which should be done in the next few minutes.

**Mr. Alcock:** The recess would not be a long one then? It may cost us 15 or 10 minutes.

**Mr. Speaker:** Order, please. There has been agreement that the Honourable Minister of Housing can move down to a mike that is operating at this time. We had agreement.

**Mr. John Angus (St. Norbert):** The point but perhaps a solution, if we could recess until 2:30 that would allow the technical staff to address the issue; if not we can come back and accommodate the Minister. It seems like a reasonable compromise.

\* (1420)

**Hon. Clayton Manness (Acting Government House Leader):** I do not want to prolong this but if there is a mike that works that everybody can hear, I would concur with your ruling.

Secondly, as long as the technicians can work at the same time, then I would say we continue given that

Members opposite can hear. They will be able to hear, I am sure, if one of the mikes is open.

**Mr. Speaker:** I would ask Hansard at this time, is that mike operational? That mike is operational, we have agreement.

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**Mr. Ducharme:** Mr. Speaker, I am pleased to introduce for second reading Bill No. 42, The Residential Tenancies Act. This Act represents a major overhaul and amalgamation of the two existing pieces of legislation, The Rent Regulation Act and The Landlord and Tenant Act.

Mr. Speaker, the need for changes and streamlining of these two Acts has been recognized for some time. Indeed, it was the previous administration which appointed the Landlord and Tenant Review Committee in 1985 to recommend to the Government changes that would be made.

Mr. Speaker, from that particular review of the Landlord and Tenant Review Committee in 1987, the result, 17 months later after being struck, the Review Committee submitted a report to the Minister that contained 138 recommendations. Some of the recommendations that required simple administrative changes have already been put in place. Indeed, I am happy to tell the House that, as a result of these changes, the average time to settle disputes that come to the Landlord and Tenant affairs has been reduced to two months, down considerably from the previous six to nine months.

But most of the recommendations required legislative changes. Of the 138 recommendations made by the Review Committee, 109 were fully implemented in the drafting of Bill 42. Some of the changes are major, some are minor, and some merely housekeeping. Overall, Mr. Speaker, they are the most comprehensive changes made to landlord and tenant legislation since its introduction in 1970, and place Manitoba in the forefront of Canadian provinces with progressive legislation benefiting both the landlords and the tenants.

Obviously, Mr. Speaker, the changes are too numerous to review each one. Therefore I will restrict my comments to only the most important initiative proposed in the Bill. First of all, there is the Residential Tenancies Commission. This is currently a fragmented array of authorities that deal with residential tenancies and disputes. The Landlord and Tenant Affairs Branch of Manitoba Housing, the Rent Appeals Branch, Small Claims Court, Provincial Court and the Court of Queen's Bench. Small wonder, then, that landlords and tenants alike have complained that the existing system is too complicated, slow and expensive. Small wonder, then, that members of the Landlord and Tenant Review Committee unanimously concluded that Manitoba requires one unified, comprehensive authority to deal with all landlord and tenant issues.

The proposed legislation addresses that need by proposing an entirely new structure for dealing with landlord and tenant issues. Mr. Speaker, the proposed

structure has two basic components, the Residential Tenancies Branch, which consists of officers with expertise in landlord and tenant matters, and what we call the new Residential Tenancies Commission, an independent body of appointed adjudicators.

The existing Rent Regulation Bureau, Rentalsman's Office, and Rent Appeals will be subsumed by these two offices. Mr. Speaker, all disputes will initially go to the Residential Tenancies Branch. This office will have the power to deal with virtually any landlord and tenant matter, including evictions and monetary claims up to \$5,000.00. Claims larger than \$5,000 will have to be settled in the Court of Queen's Bench. Officers at the branch will investigate disputes and attempt to mediate. Failing that, they will unilaterally decide on a settlement. These decisions are then appealable to the commission within the 14 days.

Matters before the commission will be heard by a panel consisting of an equal number of commissioners representing landlords and tenants, and one who is neutral. This is an innovative feature where the knowledge, expertise and experience of both landlords and tenants will be brought to bear on the resolution of disputes. The process will be informal and open to public, ensuring that matters are resolved quickly and fairly. Typically, a panel will consist of three commissioners, but a panel of five or more may be used in more complicated cases.

Mr. Speaker, the commission will have broad remedial powers and will emphasize solving problems rather than simply punishing those who cause the problems. Its decision will be final and binding and can be appealed to the Court of Appeal on questions of law and jurisdiction alone. Hearings by the commission will normally be open to public. I might also mention that the Bill provides for commissioners to be appointed in regions throughout the province. Overall we expect that by having a single comprehensive form that specializes in residential tenancies, disputes will be more simple, quick and inexpensive to resolve.

Mr. Speaker, another very important part of the Bill is repairs. The second major feature deals with repairs to residential buildings. I am sure many Members have received complaints from tenant constituents whose landlords refuse to properly maintain their properties. Even after work orders have been issued by the city or provincial inspectors, the problem is that, although landlords who ignore these orders may be found guilty under The Public Health Act and maintenance and occupancy by-laws, the maximum fine is only \$500.00. Indeed a court is not able to order a landlord to make necessary repairs which is of course what everyone wants.

The City of Winnipeg recently had an ad hoc committee on housing, chaired by councillor Mike O'Shaughnessy, and concluded that the procedure for identifying run-down properties works fairly well but that the system breaks down when a landlord does not comply with the order. In response, the committee recommended strengthening the enforcement of the orders issued. Mr. Speaker, that is exactly what Bill 42 does and in a big way.

Under our proposed legislation, when a landlord ignores a work order, the city or municipality will so



advise the director of residential tenancies branch. The director may then collect rents from any or all of the suites in a building and use the money to carry out the needed repairs. He may also terminate a tenancy and prohibit the landlord from re-renting the suite until the repairs are completed.

If necessary the director may also access a capital fund which we will establish. This fund will provide money for repairs on an interim basis with the landlord responsible for repaying the cost of repairs plus administrative fee and interest. Liens will be placed on the properties giving the capital fund first priority after municipal taxes. This means that lenders who provide financing to slum landlords could be putting themselves at risk since the capital fund will have priority over the first mortgage.

In cases where extensive repairs and renovations are needed the director may ask the Court of Queen's Bench, and remember he must ask the Court of Queen's Bench, to appoint a receiver-manager. The receiver-manager would then be responsible for ensuring that all necessary repairs are carried out using tenants' rent money and other funds obtained by way of loans. It will also allow tenants themselves to be involved in identifying and repairing problem buildings. Under the legislation a group may ask the branch director to make a court application for a receiver-manager on their behalf. If the director declines, the group, Mr. Speaker, may appeal to the residential tenancies commission. In addition, the group may ask to have itself appointed as receiver-manager provided it has sufficient expertise to manage the project.

This appointment of a receiver-manager is entirely a new concept in Canada but has been working well successfully in parts of the United States. It effectively means that if unsafe, unhealthy buildings are not properly renovated, landlords will lose control. Currently when a building needs major renovations and repairs, the only option available is for a municipality to placard it, and if the building is not eventually repaired they have the right to demolish it.

\* (1430)

In Winnipeg's core area in particular, buildings are frequently flipped with landlords collecting the rent while letting the building deteriorate. This is cancerous and eventually leads to whole areas becoming exclusively tenanted and eventually run-down as homeowners move out. The legislation would be a great help in ensuring that older buildings are preserved and maintained rather than run-down or destroyed and that tenants do not have to tolerate unfit living conditions.

Mr. Speaker, another important part of the Bill is addressed. Very much a concern of the review committee was the settling of security deposits. I felt that was a major or third major feature of a residential tenancies Act. More than one-third of the disputes currently handled by the landlord-tenant affairs branch are about security deposits, some basically approximately 2,000 a year. Clearly changes are needed. We propose that security deposits be held in trust thereby protecting these monies from claims or

creditors when a landlord goes into bankruptcy or receivership. Funds in trust will also allow disputes to be settled much more quickly because they could be released immediately to either landlord or tenant, according to the settlement of the parties or as ordered by the Landlord and Tenant Affairs.

(Mr. William Chornopyski, Deputy Speaker, in the Chair)

Additionally, Mr. Deputy Speaker, a landlord will have only 14 days to come to an agreement with a tenant on the disposition of the security deposit. If the landlord does not come to an agreement and does not file a claim within 21 days of the tenant moving out, the security deposit will automatically have to be paid over to the tenant.

Landlords would have the option, Mr. Deputy Speaker, of using either their own trust account or that of the branch. However, the legislation has tough provisions to ensure that landlords do in fact place security deposits in trust. For example, landlords are required to provide the Director of Landlord and Tenant Affairs with the number and location of the trust accounts.

The Director may audit these accounts on a random basis. Very basically, there will be very long lines of security deposits that are placed before the Securities Commission for a realtor. They must at times hold trust deposits and they are checked on a random basis, and yearly they must file with the province their list of how their accounts and their trust accounts are at, at that present time, on a yearly basis.

If there is something wrong with the trust account, after something happens on a random basis or through some information they have received, criminal proceedings can be initiated for breach of trust.

I should also advise Members that the legislation encourages landlords and tenants to jointly complete a condition report at the start of a tenancy, but it does not propose to make these reports mandatory as was recommended by the review committee. We believe that mandatory condition reports could result in the Landlord and Tenant Affairs branch being called on to resolve disputes, not only at the end of the tenancy but also at the beginning thereby causing more disputes rather than fewer.

More importantly, we believe that as long as the security deposits are in trust, there should not be delays in resolving disputes which was the main concern of that particular committee.

In summation, Mr. Deputy Speaker, we believe that replacing the existing legislation with the new Residential Tenancies Act will have several positive effects:

First of all, the prevention of disputes through a more clearly written Statute; increased education for landlords and tenants; and changes in the handling of the security deposit.

Secondly, enhanced protection of landlord and tenants' rights by expanding and more clearly defining the obligations of each.

Thirdly, improved quality of rental housing through tougher requirements on repair and maintenance.

Fourth, streamlining the way disputes are handled by creating a single jurisdiction to handle all disputes in a fair, equitable, and speedy manner.

Fifth, what is necessary is greater accountability and improved service to the public by removing several levels of delay-causing bureaucracy, and by requiring that reasons be given for all decisions made by the Residential Tenancies branch and the Commission.

Mr. Deputy Speaker, it has been a long process establishing this legislation. I know in the last Session we were called upon and early in this session before we recessed that I, as Minister, had said that we would bring in this type of legislation. I think that the Members on both sides and anyone involved drafting this Bill, or reading this Bill, will see that there are 124 pages to this particular Bill.- (interjection)-

No, we felt that we would review the many recommendations although we did not draft them all. I am sure we will hear at Committee from the various other Parties of their suggestions. I think that the whole idea in this House and the whole idea of bringing forward this legislation is to improve on this legislation. I am sure we will all have input to make this legislation the best in Canada.

I thank you, and I recommend Bill No. 42 to the Honourable Members of the Legislature and look forward to their support on the Bill.

**Mr. Kevin Lamoureux (Inkster):** Mr. Deputy Speaker, I move, seconded by the Honourable Member for Selkirk (Mrs. Charles), that debate be adjourned on Bill No. 42.

**MOTION presented and carried.**

(Mr. Speaker in the Chair)

**BILL NO. 53—THE ENERGY RATE STABILIZATION AMENDMENT ACT**

**Hon. Clayton Manness (Minister of Finance)** presented Bill No. 53, The Energy Rate Stabilization Amendment Act; Loi modifiant la Loi sur la stabilisation des emprunts d'Hydro-Manitoba à l'étranger, for second reading, to be referred to a committee of this House.

**MOTION presented.**

**Mr. Manness:** Mr. Speaker, Bill No. 53 provides a legislative authority to amend the Energy Rate Stabilization Program as I indicated would be done in this year's Budget Address. In 1987, The Energy Rate Stabilization Act was amended so that Manitoba Hydro assumed responsibility for fluctuation on U.S. dollar denominated debt as of April 1, 1987, and for any other foreign currency debt issued by or on behalf of Manitoba Hydro on or after April 1, 1987.

The province retained responsibility for the currency fluctuation respecting Manitoba Hydro's debt denominated in foreign currencies other than U.S. dollars issued by or on behalf of Manitoba Hydro prior to April 1, 1987.

\* (1440)

You will recall, Mr. Speaker, that I indicated that as of April 1, 1989, it was our intention to complete the process of disengaging the province from any further foreign exchange risk associated with Manitoba Hydro's debt. This Bill gives effect to that transfer of responsibility.

In my Budget Address I also indicated that the province would protect Manitoba Hydro against currency fluctuation on the foreign currency denominated debt which Manitoba Hydro was now assuming, based on foreign exchange rates in effect on March 31, 1989, provided that if the actual fluctuation is less than the March 31, 1989, provision, the province will only pay Manitoba Hydro the amount of fluctuation from the date of issue to maturity.

In the event that any of these foreign currency denominated debt issues are paid off at a lower currency level than when the issue was sold, and the province has made a provision for a gain in its records, Manitoba Hydro will pay the province the amount of the gain, which, however, shall not exceed the amount of such provision.

When Bill No. 53 reaches committee, I will provide a clause-by-clause analysis of the Bill. Mr. Speaker, let me say that in short form what we have done is set aside a considerable amount of money, upwards of, from memory, 60-some million dollars, which if we had not done would have made our financials for the year completed look even better than they were. We are challenged at times for not showing the \$48 million surplus that we might have shown. Indeed if we had not in essence set aside \$64 million as a cushion against fluctuations against Hydro's debt, realistically we could have shown not a \$48 million surplus last year, we could have shown a \$100 surplus. We chose not to do that. We chose to buy Manitoba Hydro's position out of the fluctuation within currency markets. We have set aside \$64 million dollars in support of that.

(Mr. William Chornopyski, Deputy Speaker, in the Chair)

If indeed the currencies fluctuate to a point where Hydro does better, the value of paying back the debt is less costly than otherwise we might expect, then there is a windfall. That windfall will come back to the Province of Manitoba. If there are additional costs beyond that, that will remain a responsibility of Manitoba Hydro.

Let me say, Mr. Deputy Speaker, what I bring forward before you as Bill No. 53 gives Legislative support to undoing The Energy Rate Stabilization Act which has been in effect, I believe, since 1979, at which time the Government of the Day, in its wisdom, thought it very important to give some security to rates, given the fact that the Government previously, the NDP Government of the early and mid-'70s, had borrowed so much money, non-North American denominated primarily, and put at risk the total structure almost, the whole rate structure, of Manitoba Hydro.

Mr. Deputy Speaker, I commend this Bill to the House and I hope that it will receive speedy passage. Thank you.

**Mr. John Angus (St. Norbert):** Mr. Deputy Speaker, I move, seconded by the Member for Inkster (Mr. Lamoureux), that this Bill stand in my name. I move the debate be adjourned and it stand in my name. Thank you.

**Mr. Deputy Speaker:** It has been moved by the Honourable Member for St. Norbert (Mr. Angus), seconded by the Honourable Member for Inkster (Mr. Lamoureux), that this Bill remain standing in the name of the Honourable Member for St. Norbert. (Agreed)

## DEBATE ON SECOND READINGS

### BILL NO. 27—THE FISCAL STABILIZATION FUND ACT

**Mr. Deputy Speaker:** On the proposed motion of the Honourable Minister of Finance (Mr. Manness), Bill No. 27, The Fiscal Stabilization Fund Act (Loi sur le Fonds de stabilisation des recettes), the Honourable Member for Elmwood has 19 minutes remaining. The Honourable Member for Elmwood.

**Mr. Jim Maloway (Elmwood):** Mr. Deputy Speaker, I see that a couple of my fans in the front row here are waiting for a continuation of the last 21 minutes of the other day. I hate to disappoint them, but I certainly wanted to introduce a couple of other ideas into the debate today. The fact of the matter is that the speakers opposing the stabilization Bill in effect unwittingly are supporting the fact that the \$200 million would be put against last year's debt, when we say that the \$200 million should be used for needs that are pretty obvious right now.

Now, Mr. Deputy Speaker, it seems to me that in the whole area of taxation in our economy, we should certainly be looking at alternative means of raising tax, and in particular with the 9 percent sales tax that the federal Government is talking about introducing. It has brought the issue of taxation once again to a head. There is a professor, I believe at Guelph University, Alex Nicolas, and others, who have advanced a case for a progressive net worth tax or a net wealth tax that I know my friend, the Member for Rossmere (Mr. Neufeld), would certainly be interested in and willing to pay, I am certain.

This idea of a net worth tax, Mr. Deputy Speaker - (interjection)- is something that—again the Minister of Finance (Mr. Manness) indicates that he is lobbying hard for the - (interjection)- the Member for Rossmere (Mr. Neufeld) is lobbying hard for the net wealth tax.

The net wealth tax is something that is currently present in, I believe, 17 countries in the world. Eleven of the OECD countries have such a tax and have had such a tax for a number of years. Basically the net wealth tax is something that we in this country should be looking at as a means to achieve a more equitable system in our country.

\* (1450)

The definition, Mr. Deputy Speaker, of the net wealth tax that the professor has used is that he defines it

as the total selected assets less total debt, and the total asset holdings which comprise wealth consist of deposits and saving certificates in chartered banks, trust companies and other institutions; cash on hand; savings bonds; other Government bonds; all other bonds; publicly traded stocks, and several other lists of securities.

The general idea is that what you would have is, you take a family or a person's lists of assets, minus their liabilities and pay a tax on an annual basis of between 3 percent to 5 percent. If you were to do such an exercise, what would happen was that you could potentially, with the same amount of revenue, reduce the income tax by a point or two, you could reduce the sales tax by a point or two, and basically end up in a revenue-neutral situation.

Mr. Deputy Speaker, the poorest 20 percent of Canadians have less than nothing. In other words, they have a negative net worth. That is the poorest 20 percent of Canadians. The next poorest 20 percent have only 2.4 percent of the entire wealth pie in Canada. The wealthiest 20 percent have 69 percent of the wealth in Canada, and the wealthiest 10 percent have just over 51 percent of the wealth of all Canadians. Now those are certainly not the worst percentages in the world, but it is certainly not a very, very healthy situation.

In 1984 the distribution of income was not skewed as much as the distribution of net wealth. The poorest 20 percent had 4.5 percent of income, and the richest 20 percent had 43 percent of the total income of all Canadians.

Mr. Deputy Speaker, the fact of the matter is that we have to look at the taxation system in this country, and we have to consider where the money should be coming from to make a more equitable system. The fact of the matter is that people, the middle class, feel burdened right now with the sales tax and the income taxes they have to pay. The wealthy top percentages of our society are not overburdened by taxes. It is not as big a burden on them as it is on the middle class. There is your answer. If you want to alleviate some of the pressure on the middle class, then consider a wealth tax that will catch the very, very wealthy in our society.

Mr. Deputy Speaker, just a couple of other points here. The net wealth distributions from 1970 to 1984 remained unchanged. Just to demonstrate to you that things are not changing, even though we have tried to tinker with the system over the years, if the future is similar to the past it would take about 70 years to reduce the top 10 percent of the wealth by 10 percentage points, and most of us will not be around at that juncture to prove whether this is right or wrong. - (interjection)- The Member for Rossmere (Mr. Neufeld) insists that he will be around in 70 years.

In terms of the income distribution, it was less unequal between 1930 and '51 and was unchanged between '51 and '77. The subsequent federal budgets have not substantially altered the economic position of the lowest income families relative to the highest. We have had federal budgets that—it has been suggested and Governments have campaigned on budgets that were designed to lower the disparities between the higher

and the lower, and over the years it has not proven to have been a workable situation.

Well, I think the fact that 17 countries in the world have such a tax certainly -(interjection)- Well, the OECD countries that the Member for La Verendrye (Mr. Pankratz) talks about, countries with revolutions, the fact of the matter is that of the 11 OECD countries that have a net wealth tax, they are Austria, Denmark, Finland, West Germany, Iceland, Ireland, Luxembourg, The Netherlands, Norway, Sweden and Switzerland, hardly great areas of revolution, hardly destabilized countries. I was in Europe this spring and I certainly did not see an impoverished group of countries.

The fact the remaining five countries that have this tax may not be as well off is really immaterial. The fact of the matter is that some very, very rich industrialized countries have such a tax. The Members were suggesting that it would be poor revolutionary-oriented countries that would have such a tax. That is right, not wealthy countries in western Europe, Mr. Deputy Speaker.

The fact of the matter is -(interjection)- Well, the Members asks what is the rate of income tax. I am not certain there is a blend. When a country adopts a net wealth tax they obviously work in a blend and the fact of the matter is, and I will get the Member the figures in a few minutes, you are taxing a much larger tax base when you are taxing net wealth. In the United States the net wealth base is three times the income base, and in Canada it is a factor of two, so it is very easy. Once you are taxing an income base that is double or triple what you are taxing right now, then how can you go with a rate that is substantially less to achieve the same amount of revenue? Those countries have a blend of income tax -(interjection)-

Mr. Deputy Speaker, the Member is concerned with this stabilization fund and well we should be. In any event, I did want to get him the figures, get the Member the figures that he had asked me for. In 1977 the net wealth of Canadians was about \$400 billion, for the Member, versus a GNP of about \$200 billion; and in the United States, as I had indicated, the net wealth was about three times the GNP. You ask where we are going to get this money. We have a bigger base to deal with -(interjection)- Well, whether you ask it or not, I did want to inform the Member.

Conservatives will point out that this will be a politically difficult idea to sell, and for them it would be because of course they would be trying to convince their friends, the Bronfmans and Peter Pocklington and other fellow travellers, of the merits of a net wealth tax. Somehow I do not think the Conservative Government would be one that would be pushing or supporting a net wealth tax without a lot of activity on behalf of the grass roots.

In fact, if only 2 percent of the net wealth was taxed there would be enough revenue to lift all low-income families in Canada out of poverty. Now I think that would be a worthwhile endeavour.

Business has always suggested that somehow if we reduce the tax rates and gave them lower tax rates,

somehow they would invest. When is the last time you heard that or when have you heard that? Peter Pocklington is great at that. He tells the Alberta Government, reduce my taxes, give me some loan guarantees and bail outs, and of course Conservative Governments and Liberal Governments over the years, when these companies have come cap in hand, have simply given them buckets of cash, crossed their fingers and hoped for the best.

What has happened in the case of Peter Pocklington? He is a two-time loser now. This guy has taken his loan guarantees, his reduced taxes, his buckets of cash and then he turns around, and this was a guy who ran for the leadership of the Conservative Party preaching free enterprise and the Government had to stay out of business. This is a guy who has been sucking on the Government trough now for years and years and years. He has left the Government holding the bag now two times, and this is a paragon of free enterprise virtue?

\* (1500)

The fact of the matter is that business investment experience does not support the argument that tax incentives have been effective in promoting higher levels of investment. In fact, companies have saved on taxes but then they have spent the money on everything else. They have given it out in dividends, they have given higher executive pay. There was a wave of corporate mergers so we are certainly not going to see people who have been benefitting greatly over the years by a tax system that they in fact control, promote and have basically written themselves—they are not going to all of a sudden turn around and suggest that we should have a net wealth tax. That would be not in their self-interest to promote a wealth tax.

In the interest of the country, the country's long-term growth and the country's long-term survival, I think that it is incumbent upon us to consider a wealth tax, one that has been used widely in other parts of the world and successfully, and it is in the long-term interests of the country because the Minister of Finance (Mr. Manness) should know that in other countries around the world, that whenever you have a deep disparity between the top and the bottom, those are the kind of societies in which violent revolutions do occur.

The Member only has to look at countries where you do have no middle class, where you have an extremely wealthy top portion in the society and an extremely poor bottom portion and that is the kind of mix that revolutions do foment.

I am giving the Minister some advice, if he wants to see the province remain healthy long into the future, that he should look at a wealth tax, the country should look at a wealth tax to reduce the disparities on top before conditions get so bad that we do have the makings of a violent revolution. I am certain that the Minister would not want to see that eventuality occur. Mr. Deputy Speaker, could you tell me how much time I have?

**Mr. Deputy Speaker:** Four minutes.

**Mr. Maloway:** With respect to the Bill at hand, Bill No. 27, The Fiscal Stabilization Act, the Minister has stated that this is a confidence motion and in fact that the Government could just destruct, could blow up over this. We have to be very, very careful that the Minister does not walk his way over the abyss and self-destruct. We have to be around to make certain that does not happen because I do not think Manitobans are quite prepared for an election at this point.

The Government has been getting quite self-assured in recent days because of a poll. The Liberals are looking a bit down in the dumps these days, I have noticed. I do not think the Government should appear to be too confident as a result of those polls because a lot can change in the space of 35 days.

The fact of the matter is that we have seen what they have produced in the last two elections, in the election periods with their Leader, and I do not think we have that much confidence that he would be able to change his campaigning style. There is the old saying that you can take the horse to water but you cannot make him drink, and you take the boy out of the country, but you cannot take -(interjection)- Yes, well, there are many other analogies, but, Mr. Deputy Speaker, the fact of the matter is that no amount of professional ad persons and professional election people from Ontario are going to be able to come in here and make a silk purse out of a sow's ear.

Mr. Deputy Speaker, they have tried that now two successive times, having the professionals roll in here from Toronto and Portage la Prairie and try to put this train back on the tracks. It has practically self-destructed in both instances. I think they have some real serious problems on their hands before they go about getting into an election situation.

It is with that in mind that we have to save them from themselves in a way, and save the people from an expensive and unwanted election at this moment. We are going to certainly have to support them in this Bill.

Thank you very much, Mr. Deputy Speaker. I appreciate the time and attention.

**Mr. Deputy Speaker:** Is there leave to have this Bill remain standing in the name of the Honourable Member for Osborne (Mr. Alcock)? (Agreed)

### **BILL NO. 31—THE LABOUR RELATIONS AMENDMENT ACT**

**Mr. Deputy Speaker:** On the proposed motion of the Honourable Minister of Labour (Mrs. Hammond), Bill No. 31, The Labour Relations Amendment Act (Loi modifiant la Loi sur les relations du travail), standing in the name of the Honourable Member for St. Johns (Ms. Wasylycia-Leis).

Is there leave for the matter to continue to stand? (Agreed)

**Mr. Allan Patterson (Radisson):** I would like to speak on this Bill 31 and leave it standing in the name of the

Member for St. Johns (Ms. Wasylycia-Leis). (Agreed)  
Thank you, Mr. Deputy Speaker.

It gives me pleasure to speak on this particular Bill, which we are supporting. I might just go back a bit in history, Mr. Deputy Speaker, to the last Session when this Bill was first raised, under Bill No. 41 I believe, and several of us spoke on it. The Member for Churchill (Mr. Cowan) said at the time that the third Party would be fighting it to the last ditch. Well, that is fine, that is their prerogative. I think I can predict with some significant level of confidence that we are going to hear twelve forty-minute speeches of great 19th-Century Marxist rhetoric from the third Party on this particular matter.

I would like to address the Bill in a little more substantive manner, Mr. Deputy Speaker. Just to correct some misconceptions that arose in the last debate, the Member for Churchill (Mr. Cowan) on November 30 referred to the arbitrary right of the employer to lock out employees without any sort of democratic vote. I would like to ask, just what does the Member mean by a democratic vote? Who is supposed to vote?

We must get back to understanding what the terms "strike" and "lockout" are. To strike obviously is a decision by the particular workers involved to withdraw their services, and a lockout a decision by management to shut the doors of the establishment and prevent the workers from coming to work.

It should be pointed out that the whole collective bargaining process is representative on both sides. On the union side we have a negotiating team which is appointed or elected by the executive of the particular local, which itself is elected. Through this negotiating team down through the elected executive to the members, it is a representative process. The few principals at the bargaining table are representing the large number of principals down at the grass roots.

\* (1510)

Similarly, with the management on the other side of the negotiating table, except in the few cases now where there might be a single owner who clearly is able to bargain for him or herself, it is usually representative of management side too, where we have the negotiating team which is appointed by management, which is responsible to the board of directors, which again is responsible to the principals, the shareholders.

Now, it just does not make sense, Mr. Deputy Speaker, if management decides to lock out, to have the decision sent out to a "democratic vote" of what might be millions, or in some cases thousands or tens of thousands, of shareholders. That authority is delegated and rightfully so.

While it might appear on the surface that management's counter to the strike is a lockout, it really is not so because it is very, very seldom in management's interest to lock out the workers. If negotiations have not come to a conclusion by the time an agreement has expired, they might well continue negotiating. There is no necessity for a work stoppage. If the union does not call a strike, there is no point of

management calling a lockout so long as they are negotiating and the product or service is being provided, and the sales are coming in, and so on.

Actually again as I mentioned I believe in the last Session, management's real counter to the strike is not the lockout but management's willingness and ability to take a strike. So whenever a so-called strike occurs, it should really more properly be called a work stoppage because it is the decision of both parties.

It is as much the union's decision to call the workers out on strike, or for the workers to withdraw their services, and management's decision that it will take the strike knowing full well what the possible consequences might be. So it is equally a decision on the part of both parties.

Now, Mr. Deputy Speaker, the economic sanction of the strike, or the work stoppage as we should call it, is really a clump in the closet. It is very seldom used. Both parties know it is there and it can be used. This implicit threat of the work stoppage is what induces the parties, in the very large majority of cases, to come to some agreement. Just by definition, anything the two parties do agree on is by that fact satisfactory.

The right to strike, to withdraw their services, is a very vital one to the labour movement. It is one for which they fought very hard and very long in many decades past. However, when the right of exercising this economic sanction is invoked, the union must be aware of the various consequences that might flow from it because all strikes are not won, nor can we say every strike should be won. Similarly, when management decides to take a strike they also must be aware of the various consequences.

This particular model has worked very well in the private competitive sector, where if one particular organization has a work stoppage and a shutdown, the customer, the consumers, can fulfill their needs elsewhere. However, in monopolistic situations and especially for vital or essential services which are largely but not necessarily in the public sector, there are no alternative services. The public interest, in such cases, may be seriously affected.

We can think of obvious things like police, fire and so on, in the public sector. We also have essential private monopolies such as the Bell Telephone System in Ontario and Quebec, gas utilities and so on.

In other public sector areas it might be monopolies, but it can certainly be said the public interest is not particularly hurt if there is a work stoppage. I can think of things like liquor and parking meter attendants, park attendants and so on which, although they are in the public service and are monopolies, are certainly not essential or vital services.

At any rate, Mr. Deputy Speaker, when we have these monopolistic situations and largely, as I say, in the public sector, what do we do? We say it is in the public interest that such and such a group not be allowed to exercise economic sanction of the work stoppage.

The key question is: if the right to strike is taken away, what can be substituted in its place? Now the

common substitution over the past many years has been the process of arbitration when the two parties make their case to an impartial third party which may be a single arbitrator or tripartite board, and then the arbitrator hands down a decision which is final and binding on the parties.

In many public sector essential service situations then, Mr. Deputy Speaker, we have had this process of mandatory or compulsory arbitration where the right to the work stoppage has been taken away through legislation. It has been said that if an impasse is reached in the process of negotiation, then the parties must turn it over to the arbitration process.

This process does have its problems and it is from this that the final offer system, final offer arbitration or, as it is called here in our legislation, final offer selection has arisen.

Under conventional arbitration, there is what is known as a chilling effect because when the arbitrator or arbitration board has the power to listen to the two sides and then render a decision, there has been over time a tendency for the arbitrator to come down somewhere in the middle of the two parties' positions, in short, you might say, to more or less split the difference. This results in what has been called the chilling effect of arbitration whereby each party knows that they are going to go to arbitration if they cannot agree. Rather than making an all-out effort to come to agreement, each party stays out in its more or less own extreme position in the hope that when the arbitrator finally comes down in the middle it will be closer to their extreme position, if we assume the other party has made some movement towards the centre.

If this arose then, Mr. Deputy Speaker, the concept of final offer arbitration—and it is nothing new, it has been around for many decades. It has always been a tool in the kit bag that any two parties can use voluntarily if they wish, and in some jurisdictions of course it has been used to replace the conventional mandatory arbitration.

The last NDP administration, through their legislation that was passed, wanted to bring this final offer selection, which has largely been confined to the public or essential services sector, and bring it generally into the private sector. I am not saying that it is necessarily "a bad thing." Nevertheless, in spite of the fact that it might appear to have some advantages, it was more or less railroaded through without a full thought and consideration.

Just look at the process itself, Mr. Deputy Speaker, one key point about it is that the final offer to be selected is a complete package from one side or the other. Now final offer leaves itself most usefully, lends itself most usefully to something let us say relatively simple, if I might say, like the monetary items, wages, salaries, or various benefits that have some direct monetary cost. But it is very difficult in many cases for an arbitrator, whether it is under final offer selection or conventional arbitration, for that matter, to make a satisfactory decision or award on many complex issues which can arise in some particular negotiating situations.

\* (1520)

Wednesday, October 11, 1989

I can think particularly of my own experience with the University of Manitoba, Faculty Association, bargaining with the administration. They are very complex issues at universities such as tenure and promotion procedures and so on which are best left to the parties to hammer out themselves, difficult in all as that might be. We can think of other instances in various technological and professional areas where the decision of an arbitrator might well be the source of dissatisfaction to both the parties.

So this final offer selection under which the arbitrator has to pick the complete package of one side or the other can lead to potentially some rather poor decisions or settlements, if we might use the words settlement although it is an imposed one. The thing is with final offer selection, Mr. Deputy Speaker, this is something that the labour movement in Manitoba has not had. Similar legislation exists in very few other jurisdictions. Labour can scarcely make the cases, has been hard done by over the years by not having this particular mechanism. It has always been available on a voluntary basis for any parties that want to use it. Under that basis, they may decide to leave it to the arbitrator to take one total package or the other, or to be able to choose between the items clause by clause, the phrase being known as cherry picking. However, this particular legislation is nothing that can be said there was a crying need of the labour movement to have it to address any of their sorely felt needs.

Now the Manitoba Federation of Labour, as our friends to my left will be pointing out, is strongly behind this particular Bill. However, I would like to point out, Mr. Deputy Speaker, with all due respect to the Manitoba Federation of Labour that the Manitoba Federation of Labour and the Canadian Labour Congress on a national level are not the only central labour congresses. There are several others and in Manitoba, the Manitoba Federation of Labour accounts for approximately 65 percent of the unionized work force. Other central labour congresses account for approximately 10 percent and the remaining organizations are either unaffiliated or independent and account for roughly 25 percent.

However, the CLC and the MFL are admittedly the major voices in the labour movement and generally do speak for it. However, within the MFL itself there was far from unanimous consent and support for this particular Bill. So for these reasons, Mr. Deputy Speaker, this Bill was, you might say, not necessarily ill-conceived in the first place, but it was a very ill-conceived move to more or less ramrod it through, as the then NDP administration did.

This Bill was ramrodded through before it had been completely considered and recommendations come forth on it from the Labour Management Review Committee, and several members of that Labour Management Review Committee took extreme umbrage at the way they were ignored. The original legislation might well have been held off until the Labour Management Review Committee could come forward with its analysis and recommendations about the matter.

I notice in yesterday's Free Press, Mr. Deputy Speaker, the just recently newly elected President of the Manitoba Federation of Labour, Ms. Hart-Kulbaba, and I would

like to congratulate her on her elevation to that distinguished office in the labour movement and wish her well in it. But I might just quote—in referring to the final offer selection arbitration process being high on her list—she says, if the Liberals behave like the business-minded Tories, they will pay the price at the polls.

I would take issue with that, Mr. Deputy Speaker. I think that the Manitoba Federation of Labour and the labour movement generally, realize that the New Democratic Party is not the only Party that has the interest of the working men and women at heart—

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

**An Honourable Member:** Hear, hear!

**Mr. Patterson:** —and I personally, and the Party I represent certainly do. I might also suggest that she is doing a lot of whistling into the wind to think that at the next poll that the New Democratic Party is going to be back in power to restore final offer selection or anything else that they might want. So I would suggest that they look at other Parties which might well satisfy their particular desires.

**An Honourable Member:** They have far too many.

**Mr. Patterson:** I might point out, Mr. Deputy Speaker, that over the years the New Democratic Party administrations have brought in some—and very progressive—labour legislation, particularly in the early Schreyer years, in the early 1970s. However, much of the—

**Some Honourable Members:** Oh, oh!

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

**Mr. Patterson:** However, Mr. Deputy Speaker, some of the Acts and labour legislation brought in by the first Schreyer administration was the result of the report of the federal Task Force on Industrial Relations which came out in 1969, and might I be so bold as to suggest that that same legislation might well have been inaugurated by either a Liberal or Conservative Government at that time because it flowed out of the recommendations of that task force. Also at that time, the Manitoba Government had in its Deputy Minister of Labour one of the best Deputy Ministers of Labour in Canada, Mr. N.D. Cochrane, who served under two Conservative administrations and the initial NDP administration under Premier Schreyer. I am sure that much of the legislation, as I say, would have been inaugurated by either of our other two Parties.

What time do I have left, Mr. Deputy Speaker? Not much.

However, I might just go back, Mr. Deputy Speaker, to what I said at the last Session—

**Mr. Deputy Speaker:** The Honourable Member has seven minutes remaining.

**Mr. Patterson:** One last thing—

**Mr. Deputy Speaker:** I beg you pardon, six minutes remaining.

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**Mr. Patterson:** This final offer legislation was an experiment, Mr. Deputy Speaker, in taking a procedure that lends itself largely to the public sector, the essential services sector, and applying it right across the board to the whole private sector.

To intrude into the relationship between the two parties by introducing such a new procedure, I put forth that three criteria should be met. The first, the process should be fair and evenhanded—

\* (1530)

**An Honourable Member:** How much time does he have left?

**Mr. Patterson:** Three minutes will do. Secondly, the process should be acceptable to both parties; and thirdly, if possible it should have been tried and working elsewhere. The process, if we look at these criteria in order, the first one, the process should be fair and evenhanded. The fact remains that one of the two parties felt and still feels that the process is not fair and evenhanded. Perceptions are reality, Mr. Deputy Speaker. If one or the other parties feels that the process is not fair and evenhanded, by that very fact it is not, in spite of what some "rational outside observer" might say or think.

We look at the second criteria, Mr. Deputy Speaker, that it be acceptable to both parties. By virtue of the fact that one party does not perceive it to be fair and evenhanded, therefore it is not acceptable to both of them; and finally, if possible it should be tried and working elsewhere. It has been tried and is working elsewhere but, as I mentioned before, largely in the public sector where it has a real role to play.

For these reasons, Mr. Deputy Speaker, this experiment, a noble one if you will, should not have been railroaded through as it was at that particular time, and we would therefore support this particular Bill 31 now.

**Mr. Deputy Speaker:** My apologies, I might have misled the Honourable Member. The Honourable Member still has 15 minutes remaining.

**Mr. Patterson:** Thank you, Mr. Deputy Speaker, you said enough.

**Mr. Deputy Speaker:** Is there leave? By leave, the Bill will remain standing in the name of the Honourable Member for St. Johns. (Agreed)

### BILL NO. 32—THE CITY OF WINNIPEG AMENDMENT ACT

**Mr. Deputy Speaker:** On the proposed motion of the Honourable Minister of Housing (Mr. Ducharme), Bill No. 32, The City of Winnipeg Amendment Act (Loi modifiant la Loi sur la Ville de Winnipeg), standing in the name of the Honourable Member for Fort Rouge.—(interjections)—

**Mr. James Carr (Fort Rouge):** Mr. Deputy Speaker, the strains of the musical larynx collective of the Liberal Caucus behind me is very much appreciated, but I would like to say to begin that there is a much more important anniversary today than my birthday.

It should be noted for all Members of the House that today represents the 12th Anniversary of election to this Chamber for the Honourable Minister of Health (Mr. Orchard), the Minister of Highways and Transportation (Mr. Albert Driedger), the Member for Churchill (Mr. Cowan) and the Minister of Northern Affairs, Native Affairs and Seniors (Mr. Downey), and I am sure that all Members of the House would want to join me in wishing them a Happy Anniversary.—(applause)— And may it be the last time they have such celebrations in this Chamber, Mr. Deputy Speaker.

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I am pleased to speak to Bill 32, The City of Winnipeg Amendment Act, because it is a very important piece of legislation that has very much to do with the relationship between the provincial Government and the City of Winnipeg, the powers of the mayor, the powers of certain standing committees and their relationship to council, the legislation that governs election expenses, the creation of a position of presiding officer for the City of Winnipeg and many other important amendments.

My first comment, Mr. Deputy Speaker, would be that we are disappointed, in the Liberal Caucus, that the Minister of Urban Affairs (Mr. Ducharme) has chosen to give us his vision for the City of Winnipeg in dribs and drabs. We had a little bit last year. We have a little bit more that we are debating today. We have other sections of the Act to be amended later in this section, and then the Minister, and I thank him for this, has just passed me a schedule of amendments that takes us through to 1993. So it is going to take this Government fully four to five years to allow the citizens of Winnipeg to know what its vision of the City of Winnipeg, through changes to the Act, is going to be.

The first question that comes to mind, Mr. Deputy Speaker, is: how can we have a full appreciation of what this Government has in its mind, if it will only tell us one chapter at a time? We are dealing with the powers of the mayor today, but some time further down we are dealing with the powers of the community committees; we are dealing with licensing; we are dealing with assessments. The schedule that the Minister of Urban Affairs (Mr. Ducharme) has given us is disjointed, unclear, lacking vision, and a disappointment in the extreme from a Minister who has years of experience on City of Winnipeg Council, and who ought to know better.

The timeliness of this debate over Bill 32 is sensitive and important, because we find ourselves right now in the midst of municipal elections throughout Manitoba, and particularly here in the City of Winnipeg. So that what this Legislature decides to do with the provisions within Bill 32 will have a profound effect on the way



in which the council, elected in the next couple of weeks, and the mayor, to be elected on the 25th of October, will operate.

I think that the Minister should be congratulated at least for putting forward to this House a series of amendments that have to do with the essential powers of the mayor and the relationship that council will have to that authority.

Let me say, Mr. Deputy Speaker, that the relationship between the province and the city is very complex. The City of Winnipeg Act is one of the fattest documents that you will find on the statute shelves. I do not know whether or not it is the fattest, or whether or not you weigh the effectiveness of an Act by how many pounds it is, but The City of Winnipeg Act is huge, something over 600 pages, which details in the most minute fashion rules, regulations, and procedures that govern the City of Winnipeg, all of which come down, on high so to speak, from the Legislature of this province.

There is a philosophical question at the bottom of this, and that is just how long should the arm be, or how elastic should the arm be between the provincial Legislature and the City of Winnipeg? These are questions which are implicit in the amendments in Bill 32, in which we will have some comment to make.

The relationship between the province and the City of Winnipeg is unique in all of Canada because of the size of our metropolitan area. There is no other province in Canada that has more than 60 percent of its population in one metropolitan area. The population of Winnipeg is something over 600,000, and the population of our province is just over 1,000,000. The rules and regulations which govern the City of Winnipeg and its council are absolutely vital to the Province of Manitoba, even more so I would argue than the rules and regulations that would govern cities like Calgary or Edmonton, which represent a much smaller proportion of their provincial population than Winnipeg does.

Much of this Bill deals with the concept of power. The argument is that in order to give powers to the mayor, who is the chief executive officer of the city, it is necessary to detail those powers in an Act. That is what the Minister has done. The Minister has laid before this House amendments to The City of Winnipeg Act which will give the mayor, whomever he or she may be, the power to appoint the deputy mayor, the power to appoint the chairs of the four standing committees of council, and along with the mayor, him or herself, that group of people would have control over the powerful Executive Policy Committee of City Council.

\* (1540)

This is a fundamental change from the current system, Mr. Deputy Speaker, which you know very well from your own long and distinguished service as a member of City of Winnipeg Council. Currently the mayor has no such powers of appointment, and the mayor is often accused of having very little power other than the power of what scissors gives him or her to cut ribbons and that it is mostly a ceremonial position.

I believe that power comes from many places. Power comes from personality and character. Personality

comes from vision. Power comes from commitment. It comes from a sense of where one wants to go and who is going along with them. Admittedly power comes from the authority by virtue of regulation or statute to do things that the mayor cannot now do.

In principle we support the changes within The City of Winnipeg Act that are contemplated by this Bill. We believe that the mayor in the City of Winnipeg ought to have more constitutional authority, if you will, than he currently has. But let us not think that in itself is a potion or a cure-all for all of the problems of leadership and vision that many citizens of Winnipeg think that we are now in the midst of.

There was a mayor of the City of Winnipeg not so many years ago who had very little constitutional authority, but who was able to use the power of his personality, his rhetorical skill and flourish to mobilize public opinion, to allow an issue to catch fire with the people who would then talk to the city councillors and the momentum for reform. The momentum for change at City Hall came from a mayor who had a sense of where he wanted to take the city, and he was able to mobilize public opinion to that vision.

So in the context of the powers that a mayor needs to provide vision and leadership, it is only partially a function of statutes and what is contained in an Act. It is also very much the function of the personality of the individuals involved.

When it comes to vision and leadership, we are on this side of the House very disappointed with the lack of vision, the lack of clarity, and the lack of leadership which has come from this Minister of Urban Affairs (Mr. Ducharme). I would like to give some examples to illustrate what I mean. We have now in the downtown of our city relationships with three levels of Government: for the North Portage Development Corporation; for the Winnipeg Core Area Initiative; and for the Forks Development Corporation. A scattergun approach without any co-ordination, without any sense that the left hand knows what the right hand is doing.

We have proposed to the Minister on more than one occasion that there ought to be consolidation, that there should be one single downtown development corporation so that there is not competition and there is not conflict between what happens at the Forks, what happens at North Portage, and what happens with the Winnipeg Core Area Initiative. I think that the Minister might even agree with me, but I hope that he is not taking his time to implement that positive suggestion just because Members of the Opposition are presenting it as an option for him. We will ask him through the course of this debate and through other opportunities, why he is not taking leadership here.

Has the Minister of Urban Affairs (Mr. Ducharme) shown any leadership on the whole question of urban sprawl and the deterioration of the core of our city in order for there to be developments outside the urban limit line? Has the Minister told us what his vision is for suburban development, for the development of the core of our city at a time when we are spending millions of dollars in tripartite agreements? We do not have any sense that this Minister knows where he wants to take the issue of urban sprawl.

The Minister from his seat is telling us that he was on all of these committees that established the core, that established North Portage. Well, then he ought to know better. He ought to realize that he set up competing fiefdoms. The Minister, from his experience both on city council and here in the House as Minister of Urban Affairs should know that what we need here is co-ordination, not competition.

What did he do with the lab, the Centre for Disease Control? The decision was made by Winnipeg City Council because they believed that it was too expensive to move the central works yards and hand the land over to the federal Government so that the Laboratory Centre of Disease Control could be placed downtown where it belongs. Did the Minister of Urban Affairs (Mr. Ducharme) put one dollar on the table? Did he call the mayor to see if it was possible for a deal to be reached? Did he show leadership so that one of Winnipeg's comparative advantages, that is the expertise we have in the health care system, could be utilized to its utmost so that the Laboratory Centre for Disease Control, like the experts had suggested, should be next to the Health Sciences Centre, next to the University of Manitoba Medical School?

No, Mr. Deputy Speaker, the Minister of Urban Affairs (Mr. Ducharme) is silent on the issue. He said nothing about bringing the province to the table. He lobbied no one in the federal Government, and he has wiped his hands of the whole issue and said, it is somebody else's problem.

If the Minister of Urban Affairs in consultation with his colleagues decides to -(interjection)-.

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

**Mr. Carr:** Mr. Deputy Speaker, if the Minister of Urban Affairs decides to change his mind and support the revisiting of that unfortunate decision, he can count on the Official Opposition for full and vocal support.

One of the complaints that we hear from some members of the community about Bill No. 32 is that it is going to lead to Party politics at City Hall, that the mayor is going to have the power of appointment of the deputy mayor and of the chairs of standing committees, and that it is going to form a political Party around the mayor.

Well, we say that for individuals of like mind and of like philosophy to tell the citizens of Winnipeg what that philosophy is at an election time is not necessarily a bad thing. We do not believe that there ought to be extensions of the political Parties in this House to municipal politics in Winnipeg, but there is certainly nothing wrong with men and women who have a similar vision and who want to express that vision to be held accountable for it in the open where all citizens can see what they have done and why they have done it, to be held accountable for their decisions.

We think that the provisions within Bill No. 32 will enhance the accountability of the mayor. The mayor will no longer be able to say that he or she did not have any input into a decision, because the mayor will be selecting a majority of the members of Executive Policy Committee.

Let us remember that even under the provisions of this Bill, council ultimately will decide. Even if the mayor and the coterie around the mayor through his own appointments thinks one way, and the majority of council thinks another way, that council's will prevails. That is something that should not be lost as we debate this Bill.

On the issue of the powers of the mayor, as I said, Mr. Deputy Speaker, we are in general agreement with the spirit that is contained within the legislation. We reserve the right of course to propose amendments at committee and to listen to the public during the committee phase.

The Bill also deals with the question of a presiding officer. The council will elect among its members an individual to be, such as yourself, Mr. Deputy Speaker, a presiding officer who will chair debates, will try to maintain some sense of decorum, and I wish that individual well. Sometimes that is a daunting task in this Chamber. Having watched many meetings of Winnipeg City Council, I am sure that it will be there as well, but we believe and we agree with the provisions in the Bill that the mayor ought not, as he presently does, chair the council meetings because it is cumbersome and awkward for the mayor at the same time to be advocate and to be a chairperson. To remove the mayor from that position and to replace him with someone who is elected by members of council, who presumably has the support of council, we think is a positive development and we have no problem supporting that part of the Bill.

\* (1550)

The question of election expenses is dealt with in some detail in the Act. The spirit and the attention of the provisions within this Bill are to make it more open and visible for all citizens of Winnipeg to see just who exactly is supporting candidates for council. It is then easier to assess whatever may motivate decisions by council should there be accusations that members of council are being driven by those who fund their election campaigns. We will see just who those individuals are, corporate or individuals, and we see that as a good thing.

The Bill makes no mention of the whole issue of tax credits, and we are very interested on what the Minister's position is on the whole issue of municipal tax credits.

There were some flaws in the legislation, and we believe there still are some flaws in the legislation that we will bring to the attention of the Minister later during committee.

The whole issue of conflict of interest was referenced by those of us on this side of the House only a matter of a couple of weeks ago. We believe that there ought to be changes to The Municipal Council Conflict of Interest Act to make sure that the public could see the disclosure of all assets of members of municipal councils. The Minister at that time said that it was part of the schedule of amendments to The City of Winnipeg Act. In fact, it is a different Act, Mr. Deputy Speaker, it is not The City of Winnipeg Act, it is The Municipal

Council Conflict of Interest Act, and I see no reference to that in the schedule the Minister just handed to me.

I hope that he is aware that the issue of perceived conflict can sometimes be as important to citizens as real conflict. Through very simple changes to The Municipal Council Conflict of Interest Act, we think that we can remove any perception of conflict by allowing all citizens to see the disclosures of members of municipal councils, and also to ensure that there are no members of council sitting on committees which have the power to make decisions which could affect them directly. We believe that the Minister ought to take swift action.

Mr. Deputy Speaker, there is no mention in this Bill to the additional zone. The additional zone, as Members of the House will know, are those municipalities which surround the City of Winnipeg. Powers have been given to the City of Winnipeg Council to make decisions which affect those rural municipalities which surround the city. Over the last number of years, the additional zone has fractured, and is no longer what it was. I think fully half of the municipalities within the additional zone are now out.— (interjection)— The Minister says that is Part 20 which means that we are not going to see anything on the additional zone until later on this year.

So it begs the question: will City of Winnipeg councillors who are being elected now have any power over the additional zone? Will they maintain the authority they have now within the Act to make decisions which affect those municipalities, or will they not? Again, it is one of the faults, Mr. Deputy Speaker, of the Minister allowing this vision of the city to come through in dribs and drabs.

The whole issue of Resident Advisory Groups is mentioned in the Act. The Minister does not seem to have any commitment to Resident Advisory Groups, because the Act says that community committees may establish them. There is no requirement for Resident Advisory Groups to be established, so we are left to wonder what the Minister's commitment is to local involvement, neighbourhood involvement, and community involvement in decision making. We do not know.

Also, the Act deals with freedom of information and the provisions say that the City Council may pass a by-law to establish freedom of information—may.

The Minister also says in the Act that there may be provisions for the creation of an Ombudsman. We wonder if the Minister has thought at all about extending the role of the provincial Ombudsman, whether he believes the role of the Ombudsman should be left to City Council to establish by itself or whether he believes there ought to be requirements.

Mr. Deputy Speaker, the Minister has taken a scattergun approach to municipal reform. In a very sensitive time for municipal reform in Winnipeg we see already that many citizens of the city believe Winnipeg City Council has not been accountable, that it has been controlled by groups of councillors who do not generally invite the public to their meetings.

We now see a movement for municipal reform which is quite powerful. I believe this movement will continue

to develop as we move through this campaign to election day and beyond.

The citizens of Winnipeg are looking for vision. They are looking for leadership. We think as far as Bill No. 32 goes there are very positive developments and steps that deal with the power of the mayor and his/her relationship with standing committees and the deputy mayor, that it will bring a degree of accountability to the functions of City Hall that we do not see now and that frustrates citizens of Winnipeg so deeply.

We will certainly bring our own position to the legislative committee. We will be suggesting a number of amendments to make this Bill much stronger than it is.

We are disappointed the Minister is silent on the issue of planning, that he is forcing us to analyze his vision of the City of Winnipeg, piecemeal. It is very difficult to evaluate how changing structures and systems work when you do not have the whole thing to look at, at the same time.

After we evaluate the changes as it affects the powers of the mayor, then we are going to have to wait a little longer to analyze changes to the planning section, and we are going to have to wait longer yet for licences, but we look forward to adding the voice of the Official Opposition to this debate.

We will be making amendments of committee, and as far as this Bill has gone, much of it is to be commended. We think we can improve on it. Thank you, Mr. Deputy Speaker.

**Mr. Gary Doer (Leader of the Second Opposition):** I move, seconded by the Member for Thompson (Mr. Ashton), that debate on the Bill be adjourned.

**MOTION presented and carried.**

## **BILL NO. 6—THE LAW REFORM COMMISSION ACT**

**Mr. Deputy Speaker:** On the proposed motion of the Honourable Minister of Justice (Mr. McCrae), Bill No. 6, The Law Reform Commission Act; (Loi sur la Commission de réforme du droit), standing in the name of the Honourable Member for Brandon East (Mr. Leonard Evans).

Is there leave for this Bill to stand in the name of the Honourable Member for Brandon East (Mr. Leonard Evans)? (Agreed)

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**Mr. Deputy Speaker:** On the proposed motion of the Honourable Minister of Justice (Mr. McCrae), Bill No. 7, The International Sale of Goods Act; (Loi sur la vente internationale de marchandises), standing in the name of the Honourable Member for Inkster (Mr. Lamoureux).

**BILL NO. 6—THE LAW REFORM  
COMMISSION ACT (Cont'd)**

**Mr. Leonard Evans (Brandon East):** On a point of order, I wonder if the House would be agreeable to reverting back to Bill No. 6 so I might have an opportunity to speak on The Law Reform Commission Act.

**Mr. Deputy Speaker:** Is there leave to bring back Bill No. 6? (Agreed)

The Honourable Member for Brandon East.

**Mr. Leonard Evans:** Thank you, Mr. Deputy Speaker, and I thank the Members of the Legislature for agreeing to revert back to allow me to say a few words, to put a few thoughts on the record.

There is no question that the concept of a law reform commission is a good one. It is a very good idea.

Of course, I have to remind Members that the Law Reform Commission was established by a New Democratic Party Government in the '70s, of which I was a Member, and if I did not think it was a good idea then I would not be able to say it is a good idea now, or vice versa. I think it was a good idea then and it certainly is a good idea now.

\* (1600)

I believe, over the years, the commission has done a good job, and I commend all the commissioners and all of their activities. They brought forward a lot of interesting proposals, some of which were implemented by this Legislature.

The job of the Law Reform Commission is simply to review laws with the idea of improving them, modernizing them and perhaps developing new approaches. So it has played a useful role and it can, of course, continue to play a useful role in the future.

I want to point out, I believe this was alluded to by the Liberal Member for St. James (Mr. Edwards) the other day when he spoke on this legislation, that there was a matter of saving money for the taxpayers of Manitoba that motivated the previous Government to abolishing the commission, per se.

The idea was not to abolish the process of reviewing in a methodical way the existing laws. As I understand it, and I can stand to be corrected on this, the secretariat or the directorate, the staff were still in place, and they could continue to do the work.

You must understand it is not the commissioners who sit there and do a lot of the homework. They may have the ideas, the proposals, but a great deal of the detail work is done by staff. As I understand it, the staff remained and the work of review went on, but we did not have the commissioners. What that did was save the taxpayers of the province some considerable money and the previous Government was indeed concerned with the budget, was indeed concerned to reduce the deficit if possible and was indeed concerned to make monies available for other projects.

Really, there was not any great outcry from the people of Manitoba with the abolition of the Law Reform Commission.

Yes, there were some lawyers. There were a few lawyers who complained about it and perhaps some people in other political Parties, but the average person on the street, the average Manitoban did not really care.

In fact, if you did a survey, Mr. Deputy Speaker, of opinion at that time and asked the average Manitoban what is the Manitoba Law Reform Commission, I think you would be very surprised at the kind of answers you would get. If you even asked them if such a commission existed, I am sure the bulk of people would not really know whether there was such a thing as the Manitoba Law Reform Commission.

(Mr. Speaker in the Chair)

In spite of the fact that it has done good work and has done it over many years, and as I said I compliment all past commissioners, the people of Manitoba really were ignorant of the existence and the operation of the commission. I use the word "ignorant" in the purest sense, that is, they were not knowledgeable. They were not knowledgeable of the operation or, indeed, the existence of this commission.

I wish I had the information at my fingertips. I do not have, to note how much money was saved previously, when the commission itself was abolished.

I ask the question now, Mr. Speaker, just how much money is this going to cost the taxpayers of Manitoba? I know the Minister of Finance (Mr. Manness) has often said we have no more money for new programs and so on. Yet here is money that is going to be spent re-establishing this commission. I am wondering really how much is it going to cost, because what we were up to in the previous Government was to carry on the process of law review with a small staff to advise the Attorney General from time to time, and therefore the Legislature of Manitoba, that certain laws had to be improved or certain laws should be abolished, certain laws should be modernized, or that there should be a different approach to a certain legal matter, and that the MLAs in this House should address these. The Attorney General could come to the House and make these recommendations, and so on. So we would have had the process still in place.

It was not with the abolition of the commission that all of a sudden no longer would laws be reviewed with the idea of improvement or modernization, far from it. That process, as I understand it at least, was to carry on. But we would save for the taxpayers an amount of money equivalent to the salaries, or the fees and expenses of the commissioners.

Now we are going back, re-establishing the Commission, and of course there is an additional cost. It will be interesting to find out exactly what the estimated cost of that is. Perhaps in committee or at some stage later we can find out from the Attorney General (Mr. McCrae) what is the estimated cost for the reconstituted Law Reform Commission in the budget, in the Estimates.

While I believe that the Commission can play a useful role, has played a useful role, and probably will play a useful role in the future, it is not a top priority matter. It is not a burning issue. It is not something, if we did not pass that somehow or other, we would have had legislation on the books we could not cope with, or the law structure, the structure of laws in the province were such that it would make life miserable for the people of Manitoba. That is not the case. It is not a priority item whatsoever.

I can think of many, many other measures that I would have liked to have seen the Attorney General (Mr. McCrae) bring forward that are of concern to people of Manitoba. How about some legislation to make the streets safer in this province of ours, Winnipeg, Brandon, or Portage or wherever? How about laws to combat crime? How about laws that are going to help Manitobans cope more effectively with wife abuse or child abuse? How about legislation to improve the justice system? We are waiting for initiatives to be taken by this Government that will have some meaning to the people of Manitoba.

While I do not oppose the legislation, I cannot say that I am overly enthused about what we have before us because it is not of a top-priority nature by any means. I can think of other areas where I would like to see initiatives taken by the Government.

As a Member from outside of Winnipeg, I would like to see laws and initiatives taken by the Government that will enhance the regional decentralization process. As a matter of fact, this was a subject that was foremost during the Question Period today, the whole question of whether or not this Government was effectively bringing about decentralization. There was some discussion about the Cabinet office in the City of Brandon. I reminded some Members off the record, or on a one-to-one basis, that there was a Cabinet office in Brandon for many a year, but that Cabinet office was not nearly as expensive as the Cabinet office this Government has in place.

I am thoroughly amazed the Minister of Finance (Mr. Manness) could allow that to happen, that large expenditure of money, putting a Cabinet office in a little bit of a shopping plaza, a strip along 18th Street, which is No. 10 Highway. I do not know what is beside it, a hairdresser or whatever, some other commercial establishments. The fact is that it is not an appropriate site. It is an expensive site.

It should have been in the provincial Government building, where all the staff is that they were talking about. Well, what is that office going to do? All the staff for the region are there, the regional headquarters for income security, social security, the staff for labour, the staff for dealing with child and family matters. Just about all of the major departments have the regional offices in that building. There are other services there, fax machines, there are boardrooms, there are all kinds of facilities there. That is the appropriate place for a Cabinet office and it would not have cost the Government a nickel to put it there.

I am surprised that the Minister of Finance (Mr. Manness) could sit by and let his colleagues spend all

that money to put a Cabinet office in a poor location when it could have gone in the provincial building. The space was there. You see, they closed the office down when they became Government in May or whatever it was of 1988. They closed it down. There was nothing for three or four or five months, and then all of a sudden they announce they are going to have a Cabinet office. Well, that Cabinet office they put in a commercial strip. They could have just as simply put it back in that space, very modest, at no additional cost. They have added additional staff and so on and I submit that is a waste of money.

\* (1610)

I was talking about the Manitoba Law Reform Commission not being a priority. What I am saying is that there are many other initiatives, many other laws that this Government could bring forward that are worthwhile.

The whole area of rural decentralization, regional decentralization is a good topic. It was introduced by the Leader of the Opposition (Mrs. Carstairs) in the Question Period followed up by others. They brought up the issue of the Cabinet office. I use that simply as an example of misspending by the Government.

We had the Minister of Urban Affairs (Mr. Ducharme) speak a few minutes ago. I would like to see him bring in legislation amending The Urban Affairs Act to bring in the City of Brandon, City of Portage la Prairie, City of Flin Flon, and Thompson as regional cities. Bring them under the purview or under the administrative umbrella of the Department of Urban Affairs to remove them from the Department of Rural Development, what used to be called Municipal Affairs, because those particular cities have particular infrastructure problems. They have particular problems peculiar to larger urban centres, if I can use the term larger urban centres, large compared to the towns and the villages and the rural municipalities of this province.

While there is an excellent staff in the Department of Rural Development, used to be called Municipal Affairs, they are essentially geared to dealing with the small towns, the small villages and the R.M.s. I think there about 200 municipalities in Manitoba, and 90 percent of them are very tiny. Ninety percent of them have very small populations and that department is geared up to help those municipalities. They do a fairly good job in helping them in whatever way, but they are not geared up to the regional development problems of the regional cities.

If you are really concerned about decentralization I would like to see, instead of rushing forward with this kind of legislation, The Law Reform Commission Act. That the Government take some initiatives in this area, amend the Urban Affairs Act so that department can truly be a department dealing with urban administration, instead of simply being a department of the City of Winnipeg which it is at the present time, and address the important economic growth requirements of those centres.

There are some very major infrastructure requirements of those centres. Water and sewer, to use

one example, is very critical. If you want to have economic growth, if you want to have jobs outside of Winnipeg, you are going to have to put in the adequate infrastructure. Portage la Prairie is crying out for assistance in infrastructure. The City of Brandon is looking at a multimillion dollar infrastructure requirement which it cannot possibly manage on its own. The existing present mayor is on record as saying that the City of Brandon simply cannot abide by the order of the Clean Environment Commission and undertake certain improvements in the sewage system without assistance from the senior levels of Government. To date, nothing has been forthcoming and they are having great difficulties.

My argument, Mr. Speaker, instead of taking time with the Law Reform Commission, why does the Government, instead of this legislation, not bring forward amendments to The Department of Urban Affairs Act so that we can make an administrative change that will help the Government of Manitoba assist in an effective way in regional growth and in an effective way in decentralization?

We could go on with a lot of other examples, Mr. Speaker, of legislation that is of much more importance than this particular piece that we have before us.

So, Mr. Speaker, the commission has been requested, in this particular Bill, to engage in duties that more or less conform to the previous duties that the commission had; removal of provisions of the law that are outdated or inconsistent. This is what I believe the commission has been doing over the years. They have been looking at laws that were outdated and recommending their abolition or amendment. They certainly made some interesting recommendations over the years on the improvement of the administration of justice, and they have made recommendations on new approaches and new concepts in law.

So, as I said earlier, I have absolutely no criticism whatsoever as to what past commissioners have done. I do not see this commission really doing anything differently than what the past commission has done, and I do not see it doing anything that could not be done without a commission. In other words, if you have a secretariat in the Department of the Attorney General, that secretariat could easily do with competent legal staff—

**An Honourable Member:** You are reinforcing your decision of a year and a half ago.

**Mr. Leonard Evans:** —could easily, yes, yes. I am not against putting the commission back in, but it is not a big priority. It is not a weighty decision to be made, and it is going to cost us money. We are always being reminded by the Minister of Finance (Mr. Manness) that money is not as available as it should be, and we should not be asking for expenditures of new money. Well, this is going to cost more money.

It would have been interesting if the Attorney General, at the time of introducing this legislation, indicated what the additional cost was. However, I trust the Minister of Finance (Mr. Manness) would have asked what was the additional cost of this Law Reform Commission.

Mr. Speaker, the fact is that there are fundamental laws that have to be passed, but those laws will be brought in by Members of the Legislature who are duly elected and hopefully, truly, as I know they will and do, represent the interests of their constituents.

Ultimate law reform will come about by the actions of the Members of this Chamber, by the Members of this Chamber who relate to their constituents.- (interjection)- Well, the Member from whatever constituency, if he has something to say, he can get up on his feet and participate in debate later. I would be glad to listen to what he has to say.- (interjection)- Well, okay, that is fine. Great.

The fact is that the essential laws come out of this Chamber, they come out of the work, the thought, the ideas of the Members of the Legislature, from the MLAs who represent the people. The commission, even though I praised it two or three times in my discussion, even though they have done good work, it is peripheral work, it is work on the periphery. It is cleaning up this or improving that law.- (interjection)- It is removing inconsistencies and it has made suggestions and those suggestions, family law—I hear from behind me as a suggestion—those laws, however, were brought in by the legislators, the MLAs, who debated it and so on. There is no problem.

As I said, Mr. Speaker, maybe the Members were not listening at the time, I was a part of the Government that established this in the first place. You are part of the Government that cut out the commissioners but not the secretariat as I understand it.- (interjection)- Well, I can tell you that at that time, although I was not the Minister involved, my understanding was all Ministers were very anxiously and earnestly looking for every dollar that they could to save money and to reduce spending. I do not think that this was a decision that anyone had any great delight in doing, who wants to do this or not.

As I said, the people on the street were not exercised by this matter, the people who were mostly concerned were lawyers, and I gather the people who I have been hearing from in the last few minutes—

**An Honourable Member:** Lawyers want good laws.

**Mr. Leonard Evans:** Well, if the lawyers want good laws, they will ultimately get the basic good laws out of the legislators and the research that is done.- (interjection)- Well, you should know what the process of lawmaking is.

The process of lawmaking is you do not sit back and wait for everything to come from the Law Reform Commission. The process of law comes out of departments that are dealing with various problems. They have problems, whether it be in child and family services, whether it be in agriculture, and so on. The experts in those fields have ideas as to improvements that have to be made or changes that have to be made because times have changed and therefore it is important to change the laws. They come forward, they work on it, they deal with lawyers who draft legislation in the Department of the Attorney General. The bulk

of the law that we deal with comes up, I would submit, in that way and from time to time from specific organizations and associations that make representations to the Parties or to individual MLAs.

\* (1620)

There are some before us right now, an engineering association. There are all kinds of associations urging upon MLAs to bring about changes to the law for whatever reason. That is where most of the law comes from, either from the departments, the Ministers, or from groups of associations of Manitobans who have ideas of legislative changes, and after due deliberation and consideration by the caucuses and by this Chamber they may or may not be passed. This is where the essential legislation is passed and the bulk—I do not want to take anything away from the Law Reform Commission, but we cannot think that the Law Reform Commission is going to be the source of great change, great reform.—(interjection)—

As I said, Mr. Speaker, I have been asked, well, is it not good to have someone who is not involved on a day-to-day basis, as I presume MLAs are, to sit back and bring these in? Of course it is not a bad idea, but the point that we made, and the point I made earlier, was that you do not necessarily have to have a set of commissioners to do this. If you have a secretariat of the Attorney General's Department you could say, you have this job, here are the terms of reference, now do it, and they carried on their work. It was not as though those staff were —(interjection)—

Well, as I said, Mr. Speaker, the Honourable Member has some comments obviously that he wants to put on the record and hopefully at some point he will get up and contribute to the debate, because we would all like to hear what he has to say.

At any rate, I listened carefully to the remarks made by the Member for St. James (Mr. Edwards) the other day. He went over the sections of the Bill and made observations including an interesting change, and that is that in the future this commission could not be abolished by an Act of the Lieutenant-Governor-in-Council but only by an Act of the Legislature, so that in the future if any Government at some point, a year or two, three, four, from now wanted to make some change, the only way that change could be brought about would be through an amendment to this Act or a Bill that would eliminate the Law Reform Commission as such.

Who knows, maybe in a few years we may have some better ideas of administration, because that is really what we are talking about. Ultimately we are talking about administrative structures. You could argue, Mr. Speaker, that you could have instead of a Law Reform Commission, what about a Law Advisory Committee? A board or a committee made up of legal people like lawyers, retired judges, other distinguished people who had experience in—

**An Honourable Member:** Non-lawyers.

**Mr. Leonard Evans:** Non-lawyers, people who are distinguished, themselves, in various fields. You could

have, I could imagine, a committee could be a rather large advisory board, or advisory committee, on law reform without having a commission as such, and let it do its thing out there in a broader way than this particular commission has established. Ultimately therefore, Mr. Speaker, we are talking about an administrative matter.

So having made those few comments, I guess I will sit down and listen to the comments—what more would you like me to say? Okay, the Minister of Health (Mr. Orchard), cannot stand on this. If he would ask me a few questions or prompt me a little bit I could carry on for another 10, 15, or 20 minutes very easily. With the Minister of Health it does not take very much, you know.

Well, I want to take this opportunity to congratulate all those Members who were elected 12 years ago today. It seems just like 12 days ago I am sure.—(interjection)—Well, Mr. Speaker, I have been asked questions which are truly off the record. I do not—that is fine, that is fine, but it is off the record.

The fact is I do not have the figures with me. I wish we had that information. It would have been good if the Attorney General, in making the case when he brought the Bill in to say, put the numbers on the table. He has some staff who can do that work, and we will have them, but we might be able to get them, although sometimes the numbers are not in a form that are easily understandable or not that readily available in the detail that you might want.

At any rate, Mr. Speaker, it will be interesting to note whether anyone comes before the legislative committee that will be dealing with this. I am not sure which committee of the Legislature is going to handle this particular piece of legislation, but it will be interesting to see what, if any, groups come before the committee and express support or opposition to the piece of legislation. I cannot recall, in my experience, where any groups out there, apart from lawyers, would be urging the Government in this area.

I mean there are all kinds of social agencies concerned with the community development, agencies concerned with cultural development and so on. I do not know any of them that are really concerned about this particular kind of legislation. The only group, therefore, that I can imagine that would come forward would be some group representing lawyers, the Manitoba Law Society, or perhaps individual lawyers as well. I would welcome certainly to see what they had to say, if they are interested enough to be forthcoming in commenting on this Bill, whether they are for it or against it, or whether they suggest some other changes.

So, in conclusion, I just repeat this rather innocuous bit of legislation. There are many more items that I would rather be speaking on and seeing this Government take the initiative in, whether it be other kinds of law reform, making the streets safer, combatting crime, combatting abuse, improving the justice system in general, or indeed other areas of social development or economic development, including as I said, areas, real significant changes to assist with rural and regional decentralization.

So, with that, Mr. Speaker, I thank the Members of the Chamber for their attention and their interest in my few words. Thank you.

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, unless there is anyone else who wants to speak on this Bill, I move, seconded by the Member for Thompson (Mr. Ashton), that the debate be adjourned.

**MOTION presented and carried.**

### **BILL NO. 7—THE INTERNATIONAL SALE OF GOODS ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Minister of Justice (Mr. McCrae), Bill No. 7, The International Sale of Goods Act; Loi sur la vente internationale de marchandises, standing in the name of the Honourable Member for Inkster (Mr. Lamoureux). (Stand)

### **BILL NO. 8—THE ENDANGERED SPECIES ACT**

**Mr. Speaker:** On the proposed motion of the Honourable Minister of Natural Resources (Mr. Enns), Bill No. 8, The Endangered Species Act; Loi sur les espèces en voie de disparition, standing in the name of the Honourable Member for The Pas (Mr. Harapiak), the Honourable Member for Flin Flon.

**Mr. Jerry Storie (Flin Flon):** Thank you, Mr. Speaker. I propose to speak on this Bill, with leave, and have it remain standing in the name of the Member who sponsored it.

**Mr. Speaker:** Is there leave that this matter remain standing in the name of the Honourable Member for The Pas (Mr. Harapiak)? (Agreed)

**Mr. Storie:** Mr. Speaker, I had not originally intended to speak on this piece of legislation today. There remains some preparation to be done with respect to the principles of the legislation; however, I was moved to speak because of comments that were made earlier by the Premier (Mr. Filmon) with respect to the environment. Everyone, Mr. Speaker, is concerned about the environment—

**An Honourable Member:** Ten out of 10 when the NDP were Government.

(Mr. William Chornopyski, Deputy Speaker, in the Chair)

**Mr. Storie:** The Member from his seat keeps referring to 10 out of 10, Mr. Deputy Speaker, that was one group. Obviously the environmentalists in this province did not agree with that assessment. Certainly the record of the Government was I think commendable, the environment was a totally new word. In fact, the Member who is now chirping from his seat dead last did not even know how to spell the word "environment" in 1980. To this day he does not understand the principles of environmentalists, although he goes around mouthing

the rhetoric of the now Government's sustainable development.

Well, Mr. Deputy Speaker, the Member for Pembina (Mr. Orchard) with his renowned rhetorical skills does not have the ability to sustain the rhetoric of his Government when it comes to the environment.

**Mr. Deputy Speaker:** Order. Order, please. The Honourable Minister of Trade, Tourism and Industry, on a point of order.

**Hon. Jim Ernst (Minister of Industry, Trade and Tourism):** Point of order, Mr. Deputy Speaker. I have great difficulty listening to the address of the Member for Flin Flon (Mr. Storie) and perhaps you could call the House to order so that we could get on with the debate. Thank you.

**Mr. Deputy Speaker:** The Honourable Member for Flin Flon has the floor.

\* (1630)

**Mr. Storie:** Thank you, Mr. Deputy Speaker. I am encouraged to know that my colleague from Charleswood (Mr. Ernst) is so interested in my comments because I think they are germane to the principles of this Bill. I know that if his colleague from Pembina (Mr. Orchard) was half as interested in the environment as he is in interrupting my comments, the province would be a lot better off.

Mr. Deputy Speaker, the record of the previous Government was not perfect. There were environmental issues that in my opinion we could have handled more expeditiously. There were things that should have been done that were not done.

But, Mr. Deputy Speaker, the record when it comes to the environment is still one that is positive and had the support of many of those who are intimately involved in the environmental movement in this province and across the country.

In the course of some seven years at a time when the environment was not the focus of the majority of Manitobans as it is perhaps today, I think people recognize that the jargon, the lexicon of environmentalists is more predominant, more prevalent in the media, in conversation today, than it has been at any time in our history. That is partly because in our Government we took up the issue of recycling and of sulphur dioxide emission reduction. There were some successes, and I refer specifically to the fact that we have a new tough environment Act in the Province of Manitoba. It was introduced by the previous Government. It is probably the toughest environment Act in the country. Certainly it was modelled on parts of legislation that came from other jurisdictions, but it has its own features. It represents a piece of legislation that will stand the Province of Manitoba in good stead when it comes to environmental matters.

We have an historic agreement with the federal Government to reduce sulphur dioxide emissions by some 25 percent across the country by 1994. That



includes a commitment to reduce the emissions by our major sulphur dioxide polluters and that means Hudson Bay Mining and Smelting and Inco in the Province of Manitoba, an historic agreement because it marked a joint federal-provincial initiative, an initiative that was signed by six other provinces and the federal Government. I think it put us on the road to resolving some of the problems that we have as a province with sulphur dioxide emissions. I do not have to say how important that is and we all recognize and have come to recognize, over actually a period of more than a decade, what kind of an impact sulphur dioxide has on the ecosystems of our province. Those who live in communities like Flin Flon and Thompson know more directly the impact that sulphur dioxide and acid rain has on the immediate environment.

Mr. Deputy Speaker, people in this Chamber will have had an opportunity to read the most recent article from scientists from the University of Winnipeg with respect to the impact of emissions from the plant at Flin Flon on vegetation and produce produced from gardens in the Flin Flon area, a serious problem that poses a health risk to people in the northern part of the province in the immediate area of the Flin Flon smelter, and a problem that has broader implications for the surrounding communities.

We had a new environment Act. We had a major, historic, interprovincial agreement on sulphur dioxide emission reductions. We also had put in place the hazardous waste management corporation, a corporation which this Government seems to be ignoring as the appropriate, most appropriate vehicle for managing our waste, the waste that we produce as a province, and perhaps potentially as a country. That corporation was the subject of a thorough review. We spent a good deal of time formulating the concept of a waste management corporation, and it was introduced in 1987.

The Member for Pembina (Mr. Orchard) wants to claim that we were dead last. Well, the Member for Pembina knows as well as anyone in this Chamber that Bill No. 8, The Endangered Species Act was prepared by the previous government, as was The Ecological Reserve Act, as was The Wildlife Amendment Act. The fact was that those pieces of legislation, which now they have taken to their bosom, were prepared and introduced in some cases by the previous administration.

We have that also to add up to the credit side when it comes to dealing with environmental issues.

Mr. Deputy Speaker, the previous Minister of the Environment also initiated a project with the soft drink bottlers, the beverage bottlers in the Province of Manitoba to deal with recycling, and although I have to admit some dissatisfaction, some chagrin perhaps that we did not move more quickly, more definitively with respect to recycling, I cannot say that the actions of this Government have encouraged me whatsoever. There is a reluctance to take bold steps, it seems to me, with due respect to the recycling effort that is required on a provincial basis.

Mr. Deputy Speaker, I do not want to downplay the actions that have been taken. I do not want to downplay

the initiatives of the Recycling Action Committee, but the fact of the matter is that we need a universal, provincial system put in place. There is no doubt in my mind that some years from now this will become a reality. It seems to me that we are not at the point, as legislators, to take up the charge that the public is presenting to us to manage these issues, and particularly the issue of recycling in a more imaginative and holistic fashion.

I think perhaps, Mr. Deputy Speaker, the present Government is being far too timid when it comes to dealing with the issue of recycling. We had, I think, a positive record when it came to environmental issues. I can tell you that had the new Environmental Act been in place and the NDP been still in Government, the issues like Rafferty-Alameda and the sludge going to Flin Flon, and the lack of environmental concern with respect to the Churchill River and the communities of Brochet and Pukatawagan, would have been dealt with substantially differently.

This Government has considerable power under The Environment Act to move to protect environment, and they have chosen, it seems to me, to avoid making the tough decisions when it came to the environment. But my intention was not to rehash the history in any definitive fashion. I recognize that we are all going to interpret that history in our own ways, but I did want to say that while the New Democratic Government had not accomplished everything perhaps that could have been wished for, its record was positive. It laid the groundwork for this Government to take some decisive action—the present Government, and they have chosen not to.

Mr. Deputy Speaker, as I mentioned earlier, The Endangered Species Act is one of those Acts which was prepared by the previous Government. The Minister of Natural Resources (Mr. Enns) is nodding his head and understands that the Act was on the Order Paper in January, February of 1988, or March of 1988, and he comes and brings forward this legislation at this time, and it is positive legislation. There is no doubt about it. I do not think we would be telling any secrets if we said that this legislation is not likely to produce any great wave of public support. The fact of the matter is the opportunities for the Minister or the Government to utilize this legislation are going to be relatively few and far between. At least that is our hope.

\* (1640)

In Manitoba, we currently have a number of species on the endangered list, but we are fortunate enough in Manitoba to not be in a situation, environmentally, in which some jurisdictions find themselves, where species are being threatened on an increasingly and an alarming rate because of the degradation of the environment. We in Manitoba have tended to avoid that, although there are areas of the province that are being threatened. Members in this Chamber would be familiar with the debates that are going on in halls across this province when it comes to wildlife, particularly game bird habitat. The fact of the matter is that the habitat of some species is being threatened. When we think of endangered species, we have to

remember that the threatening of a species, the endangerment of a species, comes not only from the direct actions of humans with respect to habitat, but becomes more subtly, Mr. Deputy Speaker, in the form of ingredients, chemicals, et cetera, that are added to the food chain and represent a less intrusive, a more covert threat, to species across the province.

What I liked about this Act, and I am sure that other Members will have a chance to comment on it, was the fact that the Government can and has given itself broad powers to eliminate perceived threats regardless of their basis. So this Act gives the Minister responsible, and the Minister's delegates, the power to intervene to protect the habitat, to intervene to protect the food,—

**Some Honourable Members:** Oh, oh!

**Mr. Deputy Speaker:** Could we have a little order, please. Order.

**Mr. Storie:** —the ecosystem that supports a particular species. So it is good to see that we are not just narrowing our focus on habitat, we are recognizing that the risks that species face, as man's activities encroach on their habitat, are numerous and varied. They are not the ones normally associated perhaps with species endangered.

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**Mr. Deputy Speaker:** The Honourable Member for Thompson (Mr. Ashton), on a point of order.

**Mr. Steve Ashton (Thompson):** Mr. Deputy Speaker, I am sitting right next to the Member for Flin Flon (Mr. Storie), and even I am having difficulty in making out his comments. It is an important Bill. It is an important matter. I would ask that you call Members of the Chamber—particularly the Members of the Conservative Caucus seem to be conducting a caucus meeting in the Chamber—to order and ask them to be a little bit more courteous and a little bit more quiet.

**Mr. Deputy Speaker:** I thank the Member for that advice. I too am having some trouble hearing the speaker, and I would ask for some order, please.

**Mr. Storie:** Mr. Deputy Speaker, the Member for Pembina (Mr. Orchard) is quite exercised, and perhaps he is exercised because he is having difficulty hearing my remarks. So if he could ask his colleagues to restrain themselves, I would assure him that he could hear.

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**Mr. Storie:** Mr. Deputy Speaker, the principle that the Minister can act to protect endangered species on a number of fronts I think is supportable and an important principle that we are establishing. If I could move to some of the other principles that I think are embodied in this legislation, the Act specifically allows not only for the protection of endangered species, but it also allows, interestingly perhaps, for the reintroduction of Manitoba species. I am not sure that is necessarily

consistent with the title of the Bill, which makes no reference to the reintroduction of species, but I think raises an interesting point.

The fact of the matter is that preventing the elimination of a species from the province is probably a more practical goal, perhaps a more pragmatic goal, than trying to reintroduce a species. The Minister has given himself that power. I only hope that is not a signal that somehow it does not matter if we fail on the first occasion.

The fact of the matter is that we all should, as individual citizens, be working to ensure that we are not doing things that endanger a species. Whether you are a hunter or fisherman, or fisherperson, or involved in any other agricultural activity or anything else, we should be conscious of the fact that species, and the continuation of species, are very much dependent upon our will and our actions.

It is fine to leave the Government to enact The Endangered Species Act to save species from extinction, but the best intentions with respect to this Act will be meaningless unless it becomes a part of the lifestyle, becomes ingrained in our world view, it will be meaningless. We all know, and we have all seen and heard of individuals going out and hunting beyond the game limits, whether it is hunting ducks or fishing or whatever, and those kinds of actions are going to jeopardize the species, regardless of the best intentions of pieces of legislation.

But, Mr. Deputy Speaker, the principle is there. The principle has also been established now, and is one that I think will receive the approval of this Chamber subsequently, is that the Minister should have the power to reintroduce species at some point. As I say, while I would not want that principle, the principle that it can be introduced, to override the principle that we should now act to protect species that exist in the province, I think it is acknowledging a reality, and the reality is that notwithstanding the best intentions of the Minister, or the best intentions of the Endangered Species Advisory Committees, we in fact may fail. But it should be up to every one of us, and certainly up to the Minister, to act to prevent those failures because the reintroduction of a species is never an easy process, although it has been carried out on other occasions, including in Manitoba, with some success.

So it is an interesting addition to the whole question of dealing with endangered species. If we fail, we have to have the authority and the Minister has to have the authority to reintroduce the species and to hopefully provide future generations with enjoyment of that particular species in one way or another.

Mr. Deputy Speaker, Part II of this particular piece of legislation also provides the Minister again with the right to enter into agreements to conduct business on behalf of the province to—and I will follow the legislation here—conduct biological investigations, implement remedial programs, and prepare biological status reports on species.

I want to spend some time on that last particular clause, the preparation of biological status reports on

species, because I think what happens in Manitoba's case and in other jurisdictions is that the rate at which a species is threatened is sometimes grossly misunderstood. There have been many, many occasions and reports from across the world which come to light talking about the current status of a species which are shocking in their detail. The fact is that the activities of humans, disease, for a whole series of reasons, species can be endangered very quickly. What looked like very healthy populations of ducks only 15 years ago become threatened, and we are not talking about 50 ducks, we are talking about millions and millions and millions. But because of the pressures of overhunting, because of disasters as we saw this summer where ducks in Manitoba were being killed by a form of botulism because of low water, creates endangered and threatened species very quickly.

\* (1650)

What we need to do is, on a regular basis, update our natural resources officials and our Minister and those interested in and involved in the environmental and the wildlife movements throughout our province can be aware of the status of those species.

I recall that the Minister of Natural Resources in the previous Government tabled the first—I believe it was the first—Five-year Report on Wildlife, and I believe that was in 1985 or '86. The Minister of Natural Resources undertook to provide the wildlife community, the fish and game associations, those hundreds of fish and game associations from across the province, advise them of the current status of wildlife in the province. So that process was begun back in 1981 or '82 and the Minister is now, as a result of this Act, perhaps establishing a new precedent which will be followed hopefully by subsequent Ministers. I personally, Mr. Deputy Speaker, applaud this initiative. I think it is important. I think it is vitally important that those interested, certainly officials in Government and we as legislators, be kept informed about the status of species across the province.

It would be unfortunate if the situation arose in Manitoba where unbeknownst to the general public a certain species was endangered but it was not perceived to be endangered.

We all recognize that the old adage, a stitch in time saves nine, is very apt. I think it is more true of a threatened species perhaps than most people would appreciate, because once the circumstances are in place to threaten a species, once the environment is fouled, once the water has deteriorated, once the habitat is gone, once the chemicals are in the food chain, once the hunting is over, it is difficult to go back.

We have to be able to track over a period of years the status of a species; we have to know how their numbers are holding out; we have to know if the habitat is being maintained; we have to know whether there are sufficient regeneration and rebirth to maintain the species at its particular level.

It is an important new concept, and I am of the opinion, Mr. Deputy Speaker, that this should not necessarily be a prerogative of the Minister of Natural

Resources (Mr. Enns). I think a good argument can be made for including this as a specific requirement of the Minister, that these reports be prepared on a regular basis and that they be available to Members of the Legislature. I would certainly like the Minister to consider making this a more formal requirement, because right now it says that subject to the approval, the Minister may do any of those things including the preparation of status reports.

I think it may be worthwhile for the Minister to contemplate strengthening the provisions of the Act and making it a requirement. We may want to start by making it a requirement only on those species which are currently considered endangered. As I said, unless now it says that subject to the approval, the Minister may do any of those things including the preparation of status reports.

Mr. Deputy Speaker, I want to move on to another part of the Bill dealing with the Endangered Species Advisory Committee. Some of the provisions of this Bill I think are good and some are perhaps a little surprising.

What drew my attention in the first instance was the composition of the Endangered Species Advisory Committee. According to 6(4), the majority of members on this committee are going to be scientists. I think that while one could argue that the majority should be scientists, I think there is a danger in assuming that this committee's sole function is going to be to provide scientific detail to the Minister responsible. Certainly that is possible, but certainly my experience, and I think the experience of any Members of the Chamber who have been a part of an executive Government, know that these advisory committees tend to work on a volunteer basis. The professionals tend to bring a very narrow and limited expertise to a given committee and I do not think that this Act is necessarily about the biological realities of a given species. They are very much also about the social environment in which this Act is going to be implemented. It is very much about the perceptions that people have of the importance of saving species. It may come as a surprise to you that not everyone in the province is nearly as concerned about the contents of this Bill or the fact that species do from time to time become extinct.

History is full, replete with examples, of species who have not made the transition. The unfortunate fact is, and I think most people do recognize this, that the transition that historically has faced species whether it is dinosaurs or the do-do bird are not the conditions that face species today. That is simply because people in their wisdom have chosen deliberately to interfere in the habitat, in the environment, in the ecosystems of these species.

We now have to recognize that a crisis can appear very quickly. I think that this committee should be stretching itself to deal not only with the very limited scientific data that is needed to evaluate a crisis with respect to a species, but it should be also established to look at the broader question of knowledge and information and the education of the broader public when it comes to issues of a threatened species.

It is not an easy task, Mr. Deputy Speaker, but the fact of the matter is it is important because as I said

earlier unless the public understands the intent of this legislation, unless there is a growth in terms of the understanding of the importance of this legislation amongst the public, it will be in my opinion quite ineffective.

(Mr. Speaker in the Chair)

The committee, Mr. Speaker, may in fact be the key. The committee may be an important part of the implementation of this legislation. It would be unfortunate if we were to narrow the scope of this advisory committee to such a point that it does not contribute on a broader basis to all of the issues that are facing the question that this Bill addresses.

The powers again in this Bill are fairly extensive and the Minister has given the right to acquire property, although I note that The Expropriation Act is going to apply and that gives people a reasonable expectation that if property of theirs is acquired by the Government for the purposes of protecting a species, there will be a reasonable hope for compensation. I think that is adequate.

What does concern me however is that like in many other Bills, there seems to be an overriding determination to give the Minister some continuing arbitrary power. I am wondering whether it might not be advisable to include or provide the Advisory Committee with those powers rather than the Minister. I think we as legislators become nervous sometimes when Ministers are given—

**Mr. Speaker:** Order, please. When this matter is again before the House, the Honourable Member will have eight minutes remaining.

\* (1700)

### PRIVATE MEMBERS' BUSINESS

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

### ORDERS FOR RETURN, ADDRESSES FOR PAPERS REFERRED FOR DEBATE

**Mr. Speaker:** The question before the House,

THAT an Address for Papers do issue praying for:

- (a) a copy of the Report on Churchill Rocket Range conducted by James Spiece Associates of Winnipeg; and
- (b) copies of all working papers and documents related to the report; and
- (c) copies of any staff analysis of the report to date.

The Honourable Member for Churchill (Mr. Cowan).

**Mr. Jay Cowan (Churchill):** Perhaps it would be relevant to put a bit of history respecting this Order for Return or Address for Paper on the record to put the debate in the proper context.

Some time ago, the federal and provincial Governments participated in a study of the potential uses of the Churchill Rocket Range. My understanding of that study was focused around the potential privatization of the rocket range but included in it other matters, a review of the benefits and any possible disadvantages of the rocket range and a potential for expanded use of the rocket range for a series of rocket launches.- (interjection)-

Well, the Minister of Natural Resources (Mr. Enns) says we do not have the whole story. That is exactly why this Address for Papers is required because for the past several months we have been trying to get the whole story not only from his Government, which has been unable to provide us with a report, but also Rod Murphy in Ottawa has been trying to get the whole story from the federal Government and has been refused access to the report at that level as well.

Following the public commentary on the report, which was reported about mid-June, I contacted the Minister of Industry, Trade and Tourism (Mr. Ernst) under whom the responsibility for the report fell and asked him if I could, as MLA for the area, obtain a copy of the report. I wanted to do so because I believe it is important that we use all of our collective efforts and every opportunity available to us to encourage the greater use of the Port of Churchill, the rocket range in Churchill, the tourism industry in Churchill, the resupply operations in Churchill, and any economic activity in the Churchill area.

I felt it would be helpful to have that report available to us. I asked the Minister for a copy of the report. At that time he was very amenable to giving a copy of the report to me and said that it would take a couple of days to make a copy, and then I could have it in my hands. I was not especially concerned about not receiving the report at that time because, Mr. Speaker, it was also indicated in the press release of the day, or the article of the day, regarding the report that it would be made public in about a week's time, and that was in mid-June. I felt that if I did not get a copy immediately from the Minister, I would have a copy from the public distribution of the report which was to take place shortly thereafter.

Well, a week went by and a couple of weeks went by, and a few more weeks went by, and I on a number of occasions contacted the Minister informally and said, will the report be ready? I was given every indication that I would have the report very shortly. The report was not forthcoming, nor was the report made public, Mr. Speaker. So at this time I began to get somewhat concerned that perhaps a report would not be made available in a timely fashion.

I believe that there is a time emergency here because NASA, who has used the rocket range in the past, is currently looking at using the rocket range along with a number of other nations and organizations that launch rockets in the near future. They are trying to determine whether or not they will use a range in Alaska, or whether or not they will use the Churchill rocket range, or whether or not they will go to one of the other rocket ranges that are available to them.

I felt if that report was made public and the public could look at the advantages and the benefits of the

use of the rocket range at Churchill, we could extend some pressure and put some pressure on those, in a public way, who were considering using other ranges to have them reconsider and use the Churchill range which I believe would be of great benefit not only to the area but also a great benefit to the province.

I then went not that long ago—Mr. Speaker, I am having great difficulty in trying to make my thoughts known because of the chatter which is going on behind me by the Member for Pembina (Mr. Orchard) and others. I would ask your assistance.

**An Honourable Member:** And the Member for Flin Flon (Mr. Storie), Cowan.

**Mr. Speaker:** Order, please; order, please. I am having some difficulty in hearing the remarks of the Honourable Member for Churchill (Mr. Cowan). The Honourable Member for Churchill.

**Mr. Cowan:** Mr. Speaker, the Member for Pembina (Mr. Orchard) must be quite excited that it is his 12th anniversary here today. He has been somewhat excitable all day, so I appreciate your assistance in—

**An Honourable Member:** Mr. Speaker, on a point of order.

**Mr. Speaker:** Order, please. What is the point of order?

**An Honourable Member:** I think it should be on the record also that the Member for Flin Flon (Mr. Storie) was talking to the Member for Pembina (Mr. Orchard).

**Mr. Speaker:** The Honourable Member does not have a point of order. Order. The Honourable Member for Churchill.

**Mr. Cowan:** Mr. Speaker, to get back to the subject at hand, what then transpired was the Minister informed me that he could not now make the report available to me and through me to the general public and to my constituents. He said the difficulty was that the federal Government would not authorize the public release of the document.

I find it very difficult to understand why it is the federal Government would not release the document, so I asked the Member of Parliament for the Churchill constituency to contact the federal Government directly to see if he could obtain access to it at that level, and he too was refused access to the document.

It was at that point in time I suggested to the Minister that perhaps we could bring more pressure to bear on the federal Government to release the document by having an official Address for Papers go through the process in this House, so that the federal Government would know it was not only the Member for Churchill that was in favour of releasing the document, but it was all Members of this House that thought it would be important to release that document.

The Minister indicated to me at that time he felt it might not be necessary for the Address for Papers,

because it was expected that the federal Government, on October 6, would decide to release the document. I told him I would hold off this debate until that particular time to see if we could get that approval and get the document released. It is now five days after that date and, Mr. Speaker, I am somewhat concerned that we have not had, once again, a release of that document. It is becoming more and more difficult to accept the fact that the federal Government will not release the document.

I believe it is important that document be released and this House join together to ask the federal Government to release that document, because of the importance of the rocket range in Churchill, not only to the economy of Churchill but also to our worldwide quest to do more research into environmental concerns and problems that are affecting us.

\* (1710)

The Churchill rocket range, and I am quoting from an article of April 13, 1989, from the Free Press is, according to the people who did the last rocket launch there, they say: "It is a remarkable laboratory up here in the sky above Churchill. There are no walls to block your view and there are so many things to observe." That statement was made by a veteran of 30 years studying of the aurora physics.

The Churchill rocket range is also an important part of the research activities with respect to what is happening with the ozone layer. We all know that depletion of the ozone layer and the increasing size of the gap, or the hole, in the ozone layer is of extreme importance to each and every one of us, not only in the constituency of Churchill but also in the province generally, the country as a whole, and the world, because we know if we cannot carry out the necessary research to determine how to deal with this very serious problem, then we are all going to suffer some very serious consequences.

So the rocket launch range at Churchill can play an important part in that research and should play an important part in that research.

It was not that long ago that there were up to 500 launches a year at the rocket range in Churchill. Mr. Speaker, that is possible again. I say that to you because I know you share a particular affinity for Churchill and for what happens in Churchill, and I have always appreciated the support that you have been able to indicate in this House, both formally and informally, for continuation of activities which benefit the community, the constituency and the area. So I know that you, like many others, share an optimism that we can go back to those days when there were those large number of launches from the rocket range in Churchill.

There seems to be a hesitancy on the part of the federal Government to make available to us the research information which can help us build a strong public case for an expanded use of the rocket range in Churchill. That is, in essence, the history of why this Address for Papers is now before us.

I hope the Minister responsible and all Members of the Opposition will join with us in showing support to

help pressure the federal Government to release all the document, as well as the working documents that went along in developing the research and compiling the information that made this report possible.

There are a number of advantages of the rocket range, and I think it is important to use every opportunity that we have to promote the use of the rocket range. So I am going to go through them very briefly, Mr. Speaker, for those who may be listening.

One is the width of that range is quite large in comparison to other ranges, and that is in large part due to the nature of the terrain in which it is located in the area of the province in which it is located. So for that reason there is a great ease within which the rockets can be set down on snow or ice in the area at appropriate times of the year.

The range's proximity to the earth's magnetic fields and the portion of the ozone layer that requires the most study is another important feature of the rocket range, and I believe would provide some very strong motivation to use the rocket range more in the future than it has been even during its heyday.

The launches that were conducted the last time were quite successful, Mr. Speaker, and I just quote from the Winnipeg Free Press of March 23, 1989, "The second Nassau flight at Churchill was flawless." From the Free Press of April 9, from Churchill, "Rocket Launch Perfect." Those are the types of compliments that the rocket range received by those who are most familiar with its benefits and with its advantages.

So because it is such a unique area, because it has such distinct and unique advantages that provide it with an appropriate place in future rocket launches, I am hopeful that the Minister of Industry, Trade and Tourism (Mr. Ernst) will stand and indicate that he has been able to talk his federal counterparts into releasing that document so that we all can take a look at it, study it, and use it for the benefit of Churchill. If he has not been able to do that, I hope he will be able to outline a plan of action for all of us to join together to make that document publicly available.

**Hon. Jim Ernst (Minister of Industry, Trade and Tourism):** Mr. Speaker, in regard to the Address for Papers brought forward for the Member for Churchill, let me—

Mr. Speaker, if I could digress for a moment—the red light here is blinking. Does that mean that the microphone is having additional difficulties? - (interjection)-

The Member for Churchill is quite correct in outlining the circumstances with regard to this situation.- (interjection)-

Mr. Speaker, this is a very important subject and the Member for Churchill (Mr. Cowan) gives every indication that it is such an important subject and it deserves I think the attention of all Members of the House.

The fact of the matter is I did indicate to the Member for Churchill, upon a verbal request made one day in the Chamber, that we would be happy to release the

report. I saw no problem in releasing the report. I think it is a very positive report and one that indicates both some good for the community of Churchill and the Churchill area. Nonetheless, the report was commissioned under the auspices of the Canada-Manitoba Planning Agreement, which is a joint federal-provincial agreement. As a result, both levels of Government must agree before these reports can be released. Unfortunately, at the time, that had either slipped my mind, or had not come to my mind at least at that point, and I had assumed it be readily and easily released to the Member for Churchill.

Mr. Speaker, upon looking into the matter, I did find of course that it required the permission of the federal Government to make a joint release, and the Member for Churchill I think is well aware of the subtleties, shall we call them, of federal-provincial agreements, and the fact that we must have joint co-operation on those agreements. It is not just the Canada-Manitoba Planning Agreement, it is in fact the Tourism Agreement, and a variety of other ERDA agreements where there have been federal-provincial participation. We must respect, notwithstanding the fact that we are anxious to get on with the question of releasing the report, the wishes of our partner in this agreement. I think it only bodes well for Manitoba and for Canada if we do it in a co-operative way rather than trying to get into a confrontational situation.

Mr. Speaker, part of the problem associated with the delay at the federal level with regard to this particular study is the fact that the National Space Agency, the efforts shall we say of the national space program, have been transferred from the National Research Council to the Canadian Space Agency which is now being set up and organized in Quebec. Whether that is the correct place or not of course is the subject of a long and other debate. Nonetheless because of the transfer from the NRC to the National Space Agency, some delays occurred in Government addressing this particular program.

Nonetheless I did, about two weeks ago or perhaps a little longer, speak through my department officials to those in the federal Government and to indicate that we felt it was long overdue. The time was now for us to release a report and let us get on with the job. It was indicated to me, again through my staff, that would occur by the 6th of October which was last Friday, or whatever date.

Other events in my life intervened last week which caused me not to be present in the House for that period of time. As a result today I was again in touch with Ottawa, and I am advised that the documents will be ready for release on Monday next. I indicated, Mr. Speaker, my displeasure with the fact that this thing had been delayed and delayed and delayed. I could go on again in some length indicating why it was delayed, but I do not think it is germane to the discussion at the moment. The fact of the matter is that I am given from the Minister's office in Ottawa that the report will be ready for release on Monday next.

\* (1720)

Mr. Speaker, I ask all Members of the House to consider then the efforts of co-operation between the federal and provincial Governments. As will become apparent when the report is released, we will discover that a large part of the future success of a reactivated Churchill rocket range will be based on participation by the National Space Agency.

If we are going to encourage and enlist and indeed succeed in getting the support of the National Space Agency, an arm of the federal Government, it would seem to me reasonable and prudent that we not poke a stick in their eye at this particular time, but rather wait those two or three extra days in order to have this report released with their concurrence rather than not accord to their request and to do it at some earlier time.

Mr. Speaker, I am concerned. I have been to the Churchill rocket range on two occasions in the last year that I have been Minister. I unfortunately was unable to attend any of the launchings this past spring because I was absent from the province on other business, but nonetheless I have been fully briefed on the activities that took place there. We are confident as a Government that we can place Churchill into a significant position in the future in terms of Canada's space program.

We talk about Canada's space program and compare it to that of our neighbour to the south; of course, it is miniscule. Mr. Speaker, even the western science Ministers have, within the last month and a half, agreed to work and have put money toward a program in conjunction with the four major aerospace companies contained in western Canada so that both the provinces and the private sector companies are working toward a major space initiative on behalf of western Canada.

To do that we will need a launch facility and that of course will be Churchill. We see many good opportunities, we require the support and the co-operation of the National Space Agency. As I said earlier, I see little productive take place by poking a stick in their eye at this point rather than wait those two or three extra days. I am informed by the Minister's office in Ottawa that they will be ready on Monday next to release. I think it behooves all of us to give consideration to, as the Member for Churchill (Mr. Cowan) said, work together co-operatively for the benefit of Churchill and for the benefit of that facility.

We had an agreement signed by the previous Government to have the Canadian National Research Council demolish the Churchill rocket range under that agreement. In fact our Government has put a stop to that. We have said to the federal Government, the National Research Council, look, we have an opportunity. Here is a report that we both jointly commissioned, here is a report that indicates a potential for Churchill, and let us stop this silliness of demolishing a facility that could ultimately be of great value to us in Manitoba and to Canada. So, Mr. Speaker, we are doing that.

I want to assure Members of the House as well that regardless of whether the report is released today, tomorrow, or next Monday, the Government has taken a position with regard to Churchill, and is in fact working

toward that position very hard and very diligently. We are proceeding, notwithstanding the fact that the report has not yet been released. So the Member for Churchill (Mr. Cowan) and others who are concerned might be assured that the Government is working on this project, and we are working very diligently toward a successful conclusion.

So, Mr. Speaker, I ask the patience of the House to wait until Monday next upon which time the federal Minister has indicated that he will authorize a release from his end, and we will do it and it will be done with. Thank you very much.

**Mr. Ducharme:** Mr. Speaker, I move, seconded by the Minister of Energy and Mines (Mr. Neufeld), that debate be adjourned.

**MOTION presented and carried.**

## PROPOSED RESOLUTIONS

### RES. NO. 13—WASTE MANAGEMENT

**Mr. Speaker:** On the proposed resolution of the Honourable Member for The Pas (Mr. Harapiak), Resolution No. 13, Waste Management, the Honourable Member for Thompson.

**Mr. Steve Ashton (Thompson):** As we all know, the Member for The Pas is currently attending a parliamentary conference on behalf of the Legislature, and I wonder if there might be leave to leave the Honourable Member for The Pas' resolution at its point on the Order Paper and proceed with the next item on the Order Paper.

**Mr. Speaker:** Is there leave that Resolution No. 13 will retain its space on the Order Paper? (Agreed)

### RES. NO. 14—CANADIAN ENERGY SUPPLIES

**Mr. Speaker:** On the proposed resolution of the Honourable Member for Flin Flon (Mr. Storie), Resolution No. 14, Canadian Energy Supplies, the Honourable Member for Flin Flon.

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, I move, seconded by the Member for Thompson (Mr. Ashton),

WHEREAS access to secure supplies of energy is essential for Canadians living in a vast northern land with a challenging climate; and

WHEREAS prior to 1985 Canadians, through the National Energy Board, were secure in the knowledge that exports of energy were allowed only when there was a known surplus of 25 years available for domestic use; and

WHEREAS in 1985, under the Western Accord, the requirement for surplus energy was dropped to 15 years and later eliminated by the federal Government; and

WHEREAS the National Energy Board now only monitors sales of energy; and

WHEREAS exports of energy have increased dramatically with natural gas exports increasing by over 30 percent last year alone; and

WHEREAS under the Mulroney trade deal, Canada is giving up its right to regulate the way its energy is developed, used and sold; and

WHEREAS under the trade deal, the ability of provinces to impose taxes, incentives, and other policy initiatives to foster regional development in the field of energy is outlawed, as is the ability to charge American consumers more than Manitoba consumers; and

WHEREAS according to a report done by the Manitoba Energy Department, if the trade deal had been in effect during the last world energy shortage, Canadians could have paid over \$70 billion more for the natural gas, oil and electricity they used from 1979 to 1982; and

WHEREAS Canadian consumers will be subject to sudden dramatic increases in energy costs during the next energy crisis unless steps are taken to secure adequate supplies of renewable and non-renewable energy sources for Canadian use.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba go on record as urging the federal Government to re-establish the role of the National Energy Board in ensuring that export sales take into account the needs of Canadian consumers; and

BE IT FURTHER RESOLVED that this Assembly urgently request the federal Government to amend the trade deal so that Canadian sovereignty over energy is restored; and

BE IT FURTHER RESOLVED that this Assembly direct the Clerk to forward a copy of this resolution to the Prime Minister and the Secretary of State.

**MOTION presented.**

**Mr. Storie:** Mr. Speaker, the Member for Morris (Mr. Manness) suggests that there should be some fire in this speech. Well, there should be some fire in this speech, and I would hope that Members opposite would join me because this resolution I think is fundamentally important to what Canada is all about and to our economic progress over the next generation. Mr. Speaker, the federal Government has in a very willful and purposeful way gone about dismantling, undermining and destroying an energy policy which has been a mainstay of economic and regional development in the Province of Manitoba. The Member for Interlake (Mr. Uruski) says they are stripping away red tape and bureaucratic trappings. They are not only stripping away bureaucratic red tape, they are stripping away policies and regulations which have protected consumers, and I would say protected suppliers of energy products and energy in this country.

The fact of the matter is, Mr. Speaker, what has been done in the last four-and-a-half years is the systematic dismantling of a system which is put in place (a) to protect our supplies of energy and we at one time had

vast surpluses of energy, particularly non-renewable energy in Canada—at one time. The federal Government has said we no longer are going to regulate what is an essential commodity for the conducting of business in Canada and, as a matter of fact, for the maintenance of a reasonable quality of life in Canada.

\* (1730)

Mr. Speaker, 200,000 people in the Province of Manitoba rely on natural gas. As an example, a non-renewable form of energy, they rely on natural gas to heat their homes. It is not simply a question of business. We are not simply interested in maintaining a surplus of gas and oil in the ground for the use of industry in this country because we have a competitive advantage when it comes to energy prices if we want to use that advantage, but it is also a question of what the consumer, the average individual, is going to pay for his energy, or her energy, or their energy into the future.

In 1985 when the federal Government first relaxed its requirement on surplus, its so-called surplus test, it said and the National Energy Board said and the petroleum association said, we have 25 years. Virtually they were telling us, unlimited supplies of natural gas, we do not have to worry about our reserve potential. That is in effect what they were saying.

The federal Government subsequently removed the 25 years, moved it to 15, and in 1987 or early 1988 the National Energy Board said, we are not going to get involved in that anymore. Basically they were setting up the National Energy Board so it was more consistent with the Free Trade Agreement that they were in the process of negotiating. What they have left us with, Mr. Speaker, is a situation where at one time Canadians could turn up their thermostat on October 1 or whenever and feel comfortable and secure in the knowledge that Canada was not going to run out in any immediate sense of its non-renewable resources. It was not going to.

Well, Mr. Speaker, what is the situation today? Some short three years after we were promised, after we were told by the industry and by the federal Government that there was no foreseeable shortage of reserves, we are now told—the National Energy Board announced in January of 1989—that it was conducting a study to determine the extent to which our reserves had been depleted or our reserves had been contracted for. Their surmise was, and they said in their press release, they could find no one in Canada who believed that we actually had any surplus of gas remaining. Now that is not because there are not surpluses, not because there are not reserves, but the fact of the matter is they are contract. In other words, American corporations including Canadian corporations have bought up existing reserves of gas supplies, and the consequences of that are going to be twofold and they are going to be negative.

First of all, Mr. Speaker, we are going to see the continuing increase of exports to the United States. We are going to see what used to be a Canadian resource.—(interjection)—The Minister of Finance (Mr. Manness) says, well, that is bad. I once thought that



the Minister of Finance was a little forward thinking. I once thought that, but his comments on this issue show me that he is not thinking about the interests of Canada or Manitoba into the future. It is not simply a question of it is bad to sell our natural resources to the United States if it is done in a planned and thoughtful way. If legitimate regard is taken for the Canadian interest in this question, it may be appropriate and it was appropriate.

It was done to the National Energy Board who examined the details of the export contracts and said, yes, this is surplus to our needs. It is surplus to our needs as Canadians. It is not surplus to the needs of Esso or Texaco or Dome Petroleum or anybody else. It is not surplus to their needs. It is not surplus to the needs of Albertans. It is not surplus to the needs of the Alberta treasury. It is not surplus to any of those interests. It is surplus to the needs of Canadian consumers of gas, to those provinces, those people in particular who are not blessed with the kinds of reserves that are available in Alberta and to some extent British Columbia and Saskatchewan. So that is the issue.

The issue is that the resources are now being sold at cut-rate prices. I recognize that there are problems within the industry that make the sale of natural gas reserves now at cut-rate prices attractive because they have some -(interjection)- Well, now the Minister says, market prices. Their market prices, yes, their market prices, but they are extremely low prices in the context of the last couple of decades.

We are establishing a market in the United States which is going to gobble up our reserves 10 times faster than was originally anticipated by the National Energy Board. Then we hear the comment, rather stupid comment if I may say, from the Member for Portage (Mr. Connery) about, he said, those terrible Americans. Mr. Speaker, I am not blaming the Americans one bit. If I were American and I could buy from a Government who had no foresight cheap energy and could buy up their reserves, reserves which should be serving future generations of Canadians cheaply, I would be doing it.

The fact of the matter is that the federal Government has no foresight. Either that or their short term interests overrode their foresight, and they have allowed this in the belief I think that somehow additional reserves will be found that the extent to which surplus reserves that were shipped to United States would not be forthcoming; but the fact of the matter is that they have. Not only has there been a 100 percent increase in the export of reserves from Canada in the last two years, but the price has been at rock bottom. The companies who are selling those reserves are doing so because of their own financial hardship, if you will, and no regard is being paid to the future of Canadians.

So, No. 1, our reserves are being depleted at a rate 10 times faster than originally anticipated. No. 2, consequence and the negative consequence is going to be on the consumer. We will recognize that supply and demand is going to quickly take over. The small distributors like ICG and Union Gas in Ontario and its equivalent in Quebec, the consuming provinces are quickly going to realize that if the existing reserves have been contracted for, there is going to be an

immediate price squeeze. The price of natural gas is going to escalate more quickly, and this is not me speaking. This is now the National Energy Board. The National Energy Board has acknowledged that the price squeeze is going to begin soon and the consumers, because of the deregulation of the gas industry, are going to pay more not less.

In doing those two, what I consider to be quite damaging things to Canadians and the Canadian economy, we are also putting ourselves in a position where there is no certainty with respect to energy supplies, non-renewable energy supplies when it comes to business in this country either. We are only talking here about the natural gas side. The fact of the matter is that the National Energy Board has been an instrument of energy policy regardless of whether it is renewable or non-renewable. Our Government went before the National Energy Board when we were proposing to sell hydro-electricity to the United States, when we were proposing to export electricity to our neighbours to the south.

The National Energy Board also had a role in determining whether that sale was in the interests of Canadians. I, for one, nor did anyone in my Government object to the National Energy Board role in reviewing that export. In fact we welcomed that review because we believe as Canadians, as well as Manitobans, that it is part of our obligation to manage our resources, particularly our energy resources, in a way which is beneficial to us as Manitobans and us as Canadians.

We have advocated that responsibility completely. Mr. Speaker, when we ask in this resolution for the support of Members of this Legislature, when we ask for their support in calling on the federal Government to re-establish the role of the National Energy Board, we do so as Canadians. We do so because in this province we are relatively blessed with an abundance of hydro-electric energy. We have energy resources here that can be used in lieu of non-renewable energy.

If the 200,000 homes and businesses that use natural gas are shut off tomorrow, within a short period of time Manitoba Hydro will be able to accommodate them on the hydro grid and will be able to provide them with an alternate form of energy, but we all know that it will be more expensive both to the consumers and the businesses involved. We also know that there are going to be other provinces who will not have that capacity. So instead of doing things in a short-sighted way in the interest of producing provinces and in the interest of those few companies, and there are still relatively few companies involved in the exploration and development of non-renewable resources, rather than work in their interests the federal Government should be working in the interest of all Canadians, from the East Coast to the West Coast.

\* (1740)

If we have to override the interests of producing provinces for the benefit of other Canadians, I think as Canadians we should be prepared to consider that. The National Energy Board -(interjection)- Well, the Member for Morris (Mr. Manness) will certainly have

his opportunity. It is a very interesting argument, but the long term is that the benefits that are to be had by regulating and managing our energy far outweigh the cost to us as individual consumers.

So, Mr. Speaker, if the Member can stand up and tell this House that if Manitoba cannot get access to gas reserves two years from now when the existing ICG contract runs out, if he can stand up and say, yes, paying double the rate for gas or not being able to get gas supplies is in our best interests, it is better now to sell those reserves to the Americans, who happen to have the market for it at the present time, then let him say that, because I do not believe that for a minute.

Mr. Speaker, what we are being asked to do is to reinstitute the powers of the National Energy Board, give it once again the powers to examine the nature of export contracts of both renewal and non-renewable energy, give it the mandate to protect the long-term energy interests of Canada as a whole, because our future is being subverted by the lack of policy at the federal level. There is no doubt about it.

Just as Members choose to put their head in the sand when it comes to the impacts of free trade, the fact of the matter is that the interests of Canadians are not being protected in any long-term way by the current federal Government's fascination with deregulation. Deregulation is a noble concept, and it works in areas where there are sufficient market forces to maintain a reasonable supply and price, but the fact of the matter is, this country is not built that way. It does not exist in that kind of reality, and deregulation is not going to work in the energy industry. It is not working right now in the transportation industry, and we can continue to bury our heads in the sand and say that everything is fine, and the Americans now owning some 45 percent, 49 percent of our energy supplies is a good thing. I do not think many Canadians support that. The unfortunate fact is that my children and your children, Mr. Speaker, are the ones who are going to have to bear the consequences of this complete short-sightedness.

**Mr. Speaker:** The Honourable Member for Osborne.—(interjection)— Order, please; order, please. I have recognized the Honourable Member for Osborne.

**Mr. Reg Alcock (Osborne):** Thank you, Mr. Speaker, I was cleaning my desk. Thank you for the opportunity, but I appreciate this opportunity to address this very important resolution. However, I think I would like to hear the remarks of the Honourable Minister responsible for this portfolio before our group responds. Thank you very much.— (interjection)— I have spoken, yes.

**Hon. Harold Neufeld (Minister of Energy and Mines):** Mr. Speaker, if the Member for Osborne (Mr. Alcock) is not breaking his chair, he is fixing his desk.

I rise to put a few words on the record on Resolution No. 14, the Canadian Energy Supplies. Mr. Speaker, I listened at some length to the Member for Elmwood (Mr. Maloway) this afternoon talking on Bill No. 27, The Fiscal Stabilization Fund Act, and I listened with some

interest and spate length to the Member speak on what might loosely be described as an economic exercise. I thought that when his colleague, the Member for Flin Flon (Mr. Storie), rose he may speak on many items, but not on the energy Bill. To my surprise, he dealt at length with the resolution he put forward, the Canadian Energy Supplies. I am greatly surprised.

Mr. Speaker, the Member for Flin Flon has suggested that Canadians keep the natural gas that we have in the ground for the use, and only for the use, of Canadians. If we are not going to export some natural gas, we will end up with many years of supply in reserve but no money to conduct further exploration. We have a great deal of natural gas in the ground and that is understood by all those who are in the energy field, but they have to be discovered. The fields have to be discovered and that takes money. If we are going to keep the energy in the ground, we obviously cannot sell it; and if we cannot sell it, and from export we do not have the money to do the exploration work.

Mr. Speaker, it is no different for the Member for Flin Flon (Mr. Storie) to suggest that we keep all natural gas energy for our own use than it is for him to suggest that perhaps the mines at Flin Flon should not sell, export, any of its copper, any of its zinc out of the country, or it is no different from him suggesting that the nickel mines in Thompson do not export any nickel from this country.

We have our natural resources, Mr. Speaker, and we must use them to the best of our ability, and to the best of our ability will often include the export of our natural resources. With a resource as plentiful as natural gas, I think it wise that we do export it and bring some foreign currency into our country because that is something we dearly need. Without the foreign currency, without the export of goods—and goods includes energy—we perhaps would not have the trade surpluses that we have enjoyed in recent years.

Mr. Speaker, the Member speaks of that we would have lost \$70 billion, and I will read what he says in his resolution. He says Canadians could have paid over \$70 billion more for natural gas, oil and electricity they used from 1979 to 1980. That is ridiculous.—To be kind, that is ridiculous.

The Governments of all stripes have over the years acted when the national crisis came about, and they would never have let a condition exist that the Member for Flin Flon (Mr. Storie) suggests might have existed. They would have acted to cause the Canadian consumer to pay the proper price for this natural gas and pay the proper price for electricity. The oil crisis was a phenomena of the early '80s, and the Governments around the world reacted to it and they would again.

The Member for Flin Flon suggests that 30 percent of our gas is being exported. All I say, 30 percent of our natural gas that is extracted from the ground is presently being exported.

Now, Mr. Speaker, that gives us foreign currency that we dearly need. I suggest to the Member that it is something that we should encourage rather than try to discourage, the same as I have already said, we do

not discourage the export of nickel. We do not discourage the export of copper, we do not discourage the export of zinc, all goods and services that come from the area of the Member for Flin Flon's (Mr. Storie) constituency. He does not suggest that those be kept in the ground until they could be used by the Canadian consumer.

\* (1750)

Mr. Speaker, we know we have the reserves, we have to find them. The only way we can find them is through the sale of natural gas and the resultant cash which it brings. It is, I believe, a good idea that the sale of natural gas includes the export of natural gas. As we sell the known reserves, we will find new reserves. We know they are there, the experts in the field know they are there, and they will be found but the discovery of new fields always will include monies and those monies can only come from one source.

I do believe that the only way that the natural gas sales can continue is for the producing provinces to find the natural gas in the ground, and the only way they can find it in the ground is for the provinces to sell the gas so they can find the monies to explore for more gas.

I have very little more to say on this subject, and it is true that there are some Members in this House who will speak about anything that comes to mind except the subject they have been asked to speak on. It is quite possible that the ozone layer is a subject that should be addressed when we talk of the natural gas situation in Canada.

Mr. Speaker, we do not need more Government, we need less Government. If we can carry on in a systematic way to sell our natural gas, we will be in a position to supply the Canadian consumer for a long time. The Member for Flin Flon (Mr. Storie) has also suggested that we could be short in two years, and the price we pay will indicate the shortage of that supply. The contracts that have been signed are 15-year contracts and the supply will be there. The producing provinces ensure that there is a sufficient reserve to meet the sale of each contract.

I do not think that the passage of this resolution will in any way enhance the future of the Canadian gas market. I ask that Members not support this particular resolution.

**Mr. Laurie Evans (Fort Garry):** I welcome this opportunity to speak briefly on this Bill because once again I think I find myself in between the two types of attitude that has been expressed today and while I find it very difficult, Mr. Speaker, to be supportive of a socialist resolution—

**An Honourable Member:** Oh, oh!

**Mr. Laurie Evans:** —I do have to indicate that I have some sympathy for the concept that has been expressed this afternoon. Mr. Speaker, I want to be on record as being supportive of the concept of the export of our natural resources.

**Some Honourable Members:** Oh, oh!

**Mr. Laurie Evans:** I think it would be foolhardy for us to contemplate a program where we would retain our natural resources in the ground with the idea that they may be valuable sometime in the future. I think we have to assume, particularly in energy with the research that is going on, that there may well be a day when we do not have to rely on the petrochemical industry for the major source of our energy supplies, but at the same time I think that we have to bear in mind that there is need for some safeguards, and I am not convinced that the safeguards are there.

The Minister has indicated that he is satisfied that the reserves are there, but we have to find them. To me, that is a little bit of a contradiction. If we are satisfied that they are there, then we may not be able to explain why we have to find them, and the assumption would be that if there are reserves, we should know where they are and we should know what the size of them are.— (interjection)— The Minister of Finance (Mr. Manness) says, it does not work that way. Well, what I am referring to in the safeguards is that if we are going to export our energy, there should be a commitment on those that are exporting that to ensure that the level of exploration that goes on to make sure that the reserves are there and that they are brought forward is there. I am not convinced that we have that level of security as far as those reserves are concerned at the present time.

The other area that concerns me very deeply, Mr. Speaker, is the whole environmental concept, and we can say that the Exxon Valdez, when it had its trouble out in the Pacific Ocean, has nothing to do with Canada, but we also have to admit that we can also say, thank God that it was not us, because it could have been an environmental catastrophe that occurred in Canada. I am not convinced that those who are developing and exporting our natural resources are putting enough of the profits back into safeguarding the environment.

We have seen situations where we have pipelines that are creating environmental problems as far as the migration of caribou and that type of thing are concerned. These are the types of things that I think we have to bear in mind and be satisfied that we are putting enough of our investment back into safeguard the environment when we are exporting our natural resources.

I have also been one who has always advocated the concept that we should be looking at our natural resources as a means of being able to provide incentives for regional development. One always has to look at the concept of "value-added" as opposed to the sale of raw materials and natural resources. I am not convinced that our petrochemical industry is doing the level of research that is necessary in order to make sure that we are benefitting from the so-called "value-added" concept, and that we are moving in that direction faster than we are in simply withdrawing our natural resources for export.

In the brief time that I have I also want to express another concern that I feel and that is what have we

actually got in the Free Trade Agreement. I am not going to try and rehash the concept, the pros and cons of the Free Trade Agreement, but you will all recall that when Simon Reisman was heading up the Canadian side of the free trade negotiations, he said that the Americans were amateurs. I am not convinced any longer, Mr. Speaker, that the Americans were the amateurs. When you look at what is happening in the agricultural sector, and you look at the pork countervail, you look at what has happened in the steel industry, you look at what has happened in the shakes and shingles, you look at what has happened in the fisheries, I am not convinced that the amateurs were south of the border. I am suspicious that the amateurs may in many cases have been north of the border, because the Free Trade Agreement, while it is in effect at the present time, the intent of the Free Trade Agreement, as I understood it, is not necessarily being adhered to by the Americans.

I would like very much, Mr. Speaker, to have the whole concept of the energy situation as it applies under the Free Trade Agreement looked at very, very carefully to be satisfied that while we support the concept of the exportation of these energy supplies that we are doing it to the advantage of Canada, and that we are not running the risk in time that we are going to find that our supplies are not adequate for our own needs, or that we do not have control of our own destiny. I am concerned about such things as the fact that once you start to export energy supplies to the Americans that you have made a long-term commitment that you cannot turn off the tap at your own will. In other words, we potentially have lost some of our sovereignty as soon as we start to export energy in that we do not have control over those taps.

I think the next thing that we have to look at, while it does not necessarily fall within the confines of this particular resolution, is the whole question of water. There is no doubt in my mind, Mr. Speaker, that in the matter of a decade or two decades that the most valuable resource that we have in Canada will be water.

I am not convinced that we have not already given up some of our control over our water sources. There

is ambiguity and there is tremendous ambiguity within that Free Trade Agreement. We have seen that ambiguity firstly when we start to talk about the definition of subsidies. Here we are in a situation where we have agreed to a Free Trade Agreement and nobody knows what a subsidy is. We may well find that we are going to be outmaneuvered by the Americans on every one of these commodities that we attempt to handle, simply because the amateurs were actually north of the border in the negotiation of this.

I am afraid that we have lost a degree of sovereignty in the control of our natural resources. I am not convinced that water is not already in there on the Free Trade Agreement, and I think that is one of the other natural resources we have to be very concerned about.

So while I cannot support the concept of trying to rehash the Free Trade Agreement or bringing back the National Energy Board, I think we have to be very vigilant in taking a look at exactly what are we doing when we sell our natural resources. Are there sufficient safeguards in place to cover the surplus so that we know that we have a long term supply, and are we insisting that the investments are being put into the proper place which is the discovery of new resources and the control and the safety of our environment?

So, Mr. Speaker, I am concerned that we do not have the safeguards in place.

**Mr. Speaker:** Order, please. When this matter is again before the House, the Honourable Member will have eight minutes remaining.

The hour being 6 p.m., this House now adjourns and stands adjourned until 1:30 p.m. tomorrow (Thursday).

### ERRATUM

On Wednesday, October 4, 1989, Hansard Vol. No. 43, Mr. Jerry Storie (Flin Flon) was incorrectly transcribed as speaking on page 1586, left-hand column, up to page 1588, left-hand column. The words were in fact spoken by Mr. Ashton (Thompson), a continuation of his speech from page 1585, right-hand column.