

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, November 24, 1989.

The House met at 10 a.m.

PRAYERS

ROUTINE PROCEEDINGS

Mr. Speaker: Ministerial Statements and Tabling of Reports, Notices of Motion.

TABLING OF REPORTS

Hon. Gerald Ducharme (Minister of Urban Affairs): Is there leave to go back to Tabling of Reports?

Mr. Speaker: Is there leave to revert back to Ministerial Statements and Tabling of Reports? (Agreed) The Honourable Minister of Urban Affairs.

Mr. Ducharme: I table the Housing Estimates for the year 1989-1990, Supplementary Information for Legislative Review.

INTRODUCTION OF GUESTS

Mr. Speaker: Prior to Oral Questions, may I direct Honourable Members' attention to the gallery where we have with us this morning, from the O.V. Jewett School, ninety-two Grade 5 students, and they are under the direction of Rhonda Beddome. This school is located in the constituency of the Honourable Member for Kildonan (Mr. Cheema).

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

ORAL QUESTION PERIOD

Health Advisory Network Report Release

Mrs. Sharon Carstairs (Leader of the Opposition): My question is to the Minister of Health (Mr. Orchard). Mr. Speaker, we are becoming increasingly concerned on this side of the House that the Minister of Health is using a report by the Health Advisory Network as a smoke screen. Last May, when we first asked questions about 85 beds at the Deer Lodge Hospital and why they were not being used for much needed patient care, he told us that he would have an answer in just a few weeks. Then we were told the report would be ready in November. Earlier this week we were told the report would be ready in a week. In Estimates yesterday he said, well, he could not even guarantee that the report would be ready by the end of December. Can the Minister of Health tell this House today when he will receive this report and when he will act on it?

Hon. Donald Orchard (Minister of Health): At each time that I have been asked by Honourable Members in the Opposition as to the timing of my receipt of the

Health Advisory Network Extended Treatment Bed Report, I have reported to my honourable friend the information on timing that I have received from the committee. That continues to be the circumstance. I continue to expect the report, and I would believe - (interjection)-

My honourable friend, the Member for Fort Rouge (Mr. Carr) says, what is going on here? Mr. Speaker, what is going on here is an investigation into the extended treatment bed needs in the system of health care in Manitoba, and that is taking more time at the committee level than expected even by the committee. I cannot force them, as my honourable friend the Liberal Leader would be wont to do, to deliver that report any sooner—

Mr. Speaker: Order, please. The Honourable Leader of the official Opposition.

Mrs. Carstairs: This Government has been the Government for 19 months, and they made this promise of this Health Advisory Network immediately upon assuming office. Now what is wrong with this Government that they cannot get, from their appointed body, a report essential to the health care needs of Manitobans?

* (1005)

Mr. Orchard: Mr. Speaker, I appreciate the frustrations expressed by my honourable friends in the Opposition when they have been faced with so much good news in the capital budget in this past week.

I simply remind my honourable friend, the Liberal Leader, that had we followed the advice of the Liberal Party and the New Democratic Party, we would have proceeded with the construction of Klinik, giving them less space than the decision announced this week and costing the taxpayers of Manitoba probably \$500,000 more.

That was urged upon Government by Members of the Opposition who, when someone protests, believe decisions of Government should be made according to the decibel level of the protest.

Mr. Speaker, we do not make decisions like that. We make good decisions, and they save money to the people of Manitoba.

Health Care Administrative Decisions

Mrs. Sharon Carstairs (Leader of the Opposition): The frustration comes from a Minister who will not address the fundamental needs of Manitobans. This Minister has not committed himself to having a binding reaction to this report. If he is not bound by this report, and since it has been 19 months in the making, why

Friday, November 24, 1989

will he not just make the decisions essential to the health care of Manitobans?

Hon. Donald Orchard (Minister of Health): I appreciate the questions from the Leader of the Liberal Party who promised us a royal commission into health care that probably would have taken many years.

I ask, rhetorically, was the Liberal Party, should they have achieved Government, going to be bound by what the royal commission they were going to strike would recommend to the health care system? Surely, my honourable friend jests that every report Government brings forward they must be bound by the results of it.

If that is the kind of Government my honourable friend is going to lead, as Government-in-waiting, then we simply do not need her as Premier, or any of her Members. We simply farm out the decisions to task force and royal commissions.

Mrs. Carstairs: Mr. Speaker, that is exactly what the Minister of Health of doing. He is refusing to make decisions. He is passing them out to task forces, and then he says, well, I may not pay any attention to them anyway.

Mr. Speaker, we need—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. The Honourable Leader of the official Opposition.

Mrs. Carstairs: Mr. Speaker, there are critical decisions which need to be made, and this Minister of Health (Mr. Orchard) cannot wait 15 years to make those decisions with regard to institutions like the Health Sciences Centre, which he said he was going to do yesterday.

When will this Minister take the job he has been entrusted with, properly, and make the decisions to use 85 beds that are built, constructed, ready for operation? Why will he not make that decision today?

Mr. Orchard: Those decisions will be made just as the decision, as I indicated this morning, was made with Klinik. Had I followed my honourable friend's advice, the Liberal Leader and all her colleagues, we would have rushed headlong into the construction of a building that was smaller and at least \$500,000 more expensive to the taxpayers of Manitoba, if I had rushed in and made those decisions.

We made the responsible decision of taking some time and a second look. We do not have a blank chequebook like the Liberal Party believes the people of Manitoba should have. We saved \$500,000 minimum in one construction project alone and gave those people greater space to deliver care to people.

Now, how can you ever say that was a bad decision? That was an "every one wins" decision, but the Liberals would have said, build it and do not care about the cost last year.

* (10 10)

Deer Lodge Hospital Extended Care Beds

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, the beds are built. The construction costs have been covered. Every one has been paid for. These beds lie vacant. Why is this Minister not prepared to put much needed patients in those beds so service can be appropriately delivered to the seniors and ailing patients of the Province of Manitoba?

Hon. Donald Orchard (Minister of Health): As I have indicated, since this question was broached in May by the Liberal Health Critic, we have budgeted for the occupancy of those beds at Deer Lodge Hospital, funds are available.

I want to commit those beds to the highest priority need in extended treatment, be it chronic care, rehabilitative care, personal care, as identified by the Extended Treatment Bed Review, a very logical process of informed decision making because we can immediately commit those beds, but I want to commit them right.

I do not want to make a wrong decision as I would have done with Klinik had I followed all the advice from the Opposition and thrashed ahead with a \$2.9 million construction project that was on the table ready to proceed. We saved money by delaying that decision. We delivered Klinik with more space to operate to deliver programs to people. Those informed decisions will continue to be made by this Government.

Mrs. Carstairs: This Minister does not even listen to the flaws of his own arguments. He talks about highest priority needs. He is not even meeting the needs, because he will not use the beds. He has 85 beds. They are empty. Nobody is in them. Sick people are not able to get appropriate care.

Why is it that this Minister cannot make a simple decision to use those 85 beds to meet the needs of the ill in the Province of Manitoba?

Mr. Orchard: Mr. Speaker, for the very reason that the decision may be simple in the mind of the Liberal Opposition Leader, it is not simple in regard to the needs in the health care system.

If I had those answers, today, those beds would be committed and staffed, but the Extended Treatment Bed Review has not indicated whether the greatest need is chronic care, extended treatment or personal care, because my honourable friend ought to know that any decision at Municipals, at Concordia and Grace are construction decisions. They will take upwards of two to two and a half years before those beds are ready for service.

That is why the 85 beds that are available today at Deer Lodge ought not to be committed for less than the most important priority in the system, which will be recommended to us by informed discussion and investigation by the Health Advisory Network Extended Treatment Task Force.

If we rush headlong, as the Liberal Party did last year with Klinik, we may well make the incorrect decision and not meet the most pressing needs. I do not intend to bring that kind of shim-sham management to the health care system.

Health Minister Pay Equity Position

Mr. Gary Doer (Leader of the Second Opposition): Mr. Speaker, we finally found out how the economic policies and health care policies of the Tories fit together. They will depress the economy so much that they can pick up real estate at half the price when the economy goes down so they can build some of the needed health care facilities.

It is a white elephant Minister of Health, Mr. Speaker, with 85 beds vacant while seniors sit in hallways. He has not yet provided any answers to this Chamber and to the people of Manitoba, this disgraceful year-and-a-half situation.

My question is to the Premier on a related management matter with the Minister of Health (Mr. Orchard). The Premier has stated and reiterated in his Speech from the Throne that Manitoba was "maintaining the lead in the pay equity sector, in the public sector and private sector of the province," and mentioned it considerably in the Speech from the Throne. We have had successes in pay equity in the general public service. We have had successes in Crown corporations under former Governments and this Government. We have had successes with Telephone and Hydro and other Crown corporations.

* (1015)

My question to the Premier is this: the only breakdown there is with the Minister of Health (Mr. Orchard) and the health care unions and employers. Is the Premier satisfied that the comments he made to the Women's Agenda on Pay Equity in the Public Service were accurate? Or, is the breakdown in pay equity in the public sector the only breakdown and only failure in the health care sector a result of the anti-union, anti-employee bias of the Minister of Health?

Hon. Gary Filmon (Premier): Mr. Speaker, the money for the pay equity implementation in health care is in the budget, it has been budgeted for. The dispute that currently exists between the health care unions and institutions about the pay equity implementation is before the Labour Board. We are awaiting their review and their judgment on that matter.

Health Care Profession Pay Equity Implementation

Mr. Gary Doer (Leader of the Second Opposition): All the employers, 23 hospitals and 10 unions, came to an agreement on pay equity. When they were sent back by the Minister of Health (Mr. Orchard), they came to a second agreement that according to the Premier's own Pay Equity Bureau is within the law of the Province of Manitoba.

Would the Premier please intervene with the Minister of Health whose biases are well-known in this province to ensure that the successes and the leadership that Manitoba has taken in the pay equity field will not be squandered away by the anti-employee bias which was

exhibited by 500 nurses out in front of this building, and ensure that we have success in the pay equity sector rather than failure through the personality of the Minister of Health?

Hon. Donald Orchard (Minister of Health): Since my honourable friend wants to attempt to malign my particular approach to management in the health care system, I feel compelled to respond. I want to remind my honourable friend the legislation that was passed regarding pay equity, as it applied to the 23 facilities that he has named, has guidelines in legislation.

Mr. Speaker, we have budgeted sufficient funds this year. Funds have been set aside last year to retroactively put in place pay equity. What we are seeking with the unions and the hospitals, the 23 facilities involved, is an ability to comply with the legislation involving 1 percent per year of pay. That agreement has been negotiated. This Government is fully prepared, not only in terms of motivation but in terms of funding, to meet that legislative guideline in the health care system.

Health Care Profession Pay Equity Implementation

Mr. Gary Doer (Leader of the Second Opposition): My question is to the Minister of Labour (Mrs. Hammond) and the Minister responsible for the Pay Equity Branch. Can the Minister confirm that she has opinions, that the settlements reached by all the hospital administrators and all the unions were within the law and therefore able for implementation, contrary to what the Minister of Health is saying here in this Chamber today?

Mr. Speaker: Order, please. The Honourable Member's question seeks an opinion and is therefore out of order. Will the Honourable Member kindly rephrase his question, please?

Mr. Doer: Will the Minister of Labour confirm that she has received -(interjection)- will the Minister of Labour table the opinion she has received citing the fact that the employers in the health care sector, 23 employers and the 10 unions, have reached an agreement consistent with the pay equity legislation and therefore is able for implementation by the Government?

Hon. Gerrie Hammond (Minister of Labour): This matter is before the Labour Board and when they make a decision, then we will abide by it.

School Boards Voluntary Pay Equity Plan

Mr. Gary Doer (Leader of the Second Opposition): Mr. Speaker, it is a shame that this Minister -(interjection)-

My final question is to the Premier. Will he confirm that his Cabinet has made a decision after consultation with the school boards and municipalities not to proceed in the same legislated way as we had proceeded in pay equity and is going to allow for some wishy-washy

voluntary program, again an abdication of the leadership of the Government of Manitoba in providing pay equity for women in the public service as a model for the private sector?

Hon. Gary Filmon (Premier): We are committed to the full implementation of the legislation that was passed by this Legislature, Mr. Speaker. That administration, of which the Member for Concordia (Mr. Doer) was a part, did not proceed in that area of municipal Government and school boards. I think probably for some particular purpose, they did not want to proceed with it.

* (1020)

We are proceeding by way of consultation and discussion to develop a plan for pay equity in those areas that we believe is appropriate to them, and that they obviously will support because it requires the full support of those people who are in those areas to make it successful. That is why the provincial pay equity legislation has been successfully implemented because it was done in co-operation with all the people involved, and that is the only way it is going to be successful. That is why we are into consultations with those other levels of Government.

Decentralization Policy Civil Servant Options

Mr. Speaker: Order, please. Order. The Honourable Member for Ellice.

Ms. Avis Gray (Ellice): We can understand the concerns about the decentralization, given that it was the Minister of Rural Development (Mr. Penner) who appointed the decentralization committee. It was the same Minister who, later on in Estimates, seemed to know nothing about the functioning of that committee. My question, Mr. Speaker, is for the Minister responsible for The Civil Service Act which governs the working conditions of all civil servants across the province.

We know, Mr. Speaker, it is the positions that will be decentralized. My question to the Minister is, what options will the civil servants have who presently occupy those designated positions?

Hon. Gerrie Hammond (Minister responsible for The Civil Service Act): Mr. Speaker, we met with the union, the MGEA, before the Premier made his announcement in Brandon to inform them exactly what was happening. We will abide by the collective agreement and we will be working with the union as far as job allocations.

Decentralization Policy Civil Servant Options

Ms. Avis Gray (Ellice): Mr. Speaker, again we know why there is concern about this decentralization process because the Minister has really not indicated exactly what options will be available to civil servants.

I have a supplementary question to the same Minister. Can the Minister indicate to us, today, will those civil

servants who are now occupying those designated positions have the option to ask for and receive transfers should they feel that they cannot move into areas in rural Manitoba?

Hon. Gary Filmon (Premier): Mr. Speaker, you know, I think what we have to establish here is the hypocrisy of the Liberal Party on this issue. Here we have in the *Opasquia Times* of February 10, 1989, the headline: "Carstairs favours decentralization. Carstairs told the *Times* that if she were to form a Government next week, some bureaucrats would be heading north to The Pas, Thompson and perhaps Flin Flon." Mr. Speaker, then yesterday, at the Union of Manitoba Municipalities, the real story comes out. She says: "I don't want to take a lot of Winnipeggers and move them to rural Manitoba."

This issue the Liberal Party cannot duck, cannot weasel around as they always do, Mr. Speaker. They have to make it known where do they stand, and we know where they stand, and all of Manitoba knows where they stand. They are against decentralization and they cannot speak out of both sides of their mouth.

Ms. Gray: Mr. Speaker, this Premier of the province seems to feel that we do believe in decentralization, but you also have to ensure that there is a process in place and you guys have caused the morale of the—

Mr. Speaker: Order. Order, please. Before I recognize the Honourable First Minister on this point of order, I would like to remind the Honourable Member for Ellice this is Question Period and not a time for debate. The Honourable First Minister, on a point of order.

* (1025)

Mr. Filmon: I distinctly heard the Member for Ellice (Ms. Gray) in her reference to this side of the House refer to us as "you guys". I think that is an insult to the Member for Kirkfield Park (Mrs. Hammond), that is an insult to the Member for Gladstone (Mrs. Oleson), that is an insult to the Member for River East (Mrs. Mitchelson), and I would ask her to apologize please, Mr. Speaker.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Order. The Honourable Member for Ellice, on the point of order raised by the Honourable First Minister.

Ms. Gray: On the same point of order, my concern for the civil servants of this province obviously caused me to use the cliché "you guys," and I certainly would apologize, which is more than they have ever done when they have said "poor—"

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. Unequivocably—I would like to thank the Honourable Member for Ellice.

Friday, November 24, 1989

Mr. Speaker: The Honourable Member for Ellice, with her final supplementary question.

Ms. Gray: With a question to the Minister responsible for the Civil Service Commission, whoever that may be, my question to the Minister responsible for The Civil Service Act, can she indicate to this House today, given that she has probably been involved in some of these consultations with the MGEA, what specific options, or will civil servants have the option to ask for transfers within the Civil Service Commission if they happen to be in positions that are designated for a transfer?

Mr. Filmon: On May 23 of this year in this Legislature the Leader of the Liberal Party (Mrs. Carstairs) said, "Why cannot this Government act? Why after a year in power do they still not know where they can decentralize? Moving full and partial Government departments are examples of decentralization, and we have had none of that from this Government," she said.

The full and partial Governments involve people, Mr. Speaker. People who will be moved out of Winnipeg to other areas, that is what the Liberal Party said they were in favour of on May 23, and now they are against it. They cannot have it both ways. They cannot weasel around and speak out of both sides of their mouths, and the Member for Ellice (Ms. Gray) had better not try and tell people that she is on both sides of this issue. She either—

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

Health Sciences Centre Emergency Ward Upgrading

Mr. Gulzar Cheema (Kildonan): The Minister of Health said yesterday in this House that the emergency section of the Health Sciences was in architectural design. There is no mention of Health Sciences emergency in his Schedule III which clearly states the projects approved for architectural planning for this year. Can the Minister of Health today apologize to the House for giving wrong information?

Hon. Donald Orchard (Minister of Health): No, Mr. Speaker, because the wrong information was not given. Functional planning, architectural design will follow when we have the functional plan to design the plans around, contrary to what my honourable friend said yesterday, where he said, build the emergency department at Health Sciences Centre. I do not know how you do that without a plan. Maybe the Liberals have a plan in that regard, but I do not.

Mr. Cheema: This Minister is deliberately misleading this House. My question is, Mr. Speaker, the O/R rooms at the Health Sciences Centre are on the seventh floor. Trauma patients have to go through a zigzag path and they have to go to the seventh floor and wait for five or 10 minutes on the first floor. This is not a laughing

matter, it is for the 60,000 patients who come to this hospital every year.

Can the Minister of Health state why he has not addressed this issue, and why he is ignoring the patients of Manitoba, as well as northwest Ontario and Saskatchewan?

* (1030)

Mr. Orchard: Mr. Speaker, my honourable friend's preamble to his question is totally wrong. We are not ignoring those needs there. Those needs in the emergency section, in the Podium Project or the HA Project at the Health Sciences Centre were announced in 1978 as part of a redevelopment of the Health Sciences Centre.

The first phase of that was construction that commenced before 1981 and is now completed and serving the people. The other two phases simply never advanced even to functional design or architectural drawing. Mr. Speaker, those are very much issues of discussion that we are renewing with the Health Sciences Centre in 1989.

The seven-year lag of no planning, no orientation and no program proposals at the Health Sciences Centre I cannot answer for, Mr. Speaker, because I was not a Minister responsible. I am answerable today, and we are moving to resolve those problems.

Concordia Hospital Capital Funding

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, the Concordia Hospital has already spent \$300,000 on architecture planning, and after careful study they are well aware of the need of the communities of Elmwood, Transcona, East and North Kildonan and East St. Paul.

Can the Minister of Health justify in this House today why he is ignoring 100,000 population in the northeast end of Winnipeg? Is it a political decision or is it an action decision?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I want a little clarification from my honourable friend who is the Liberal Critic. I want to know whether he is agreeing or disagreeing with the statements made by his Liberal Leader.

This is very much to the question of Concordia, Mr. Speaker, because my honourable friend's Leader on Friday, November 17, said that those patients need personal care home beds, they have to be built, and extended treatment beds need to be built. When the Leader of the Liberal Party (Mrs. Carstairs) goes to Minnedosa she says: "40 percent of people presently residing in personal care homes do not need to be there, these people require less than 20 minutes of care per day . . ." (interjection)-

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

Friday, November 24, 1989

Mr. Speaker: The Honourable Member for Kildonan, on a point of order.

Mr. Cheema: Mr. Speaker, this Minister has frequently misled the House. There are 25 personal patients right now in Winnipeg who are occupying the few care beds, and Concordia Hospital has 28 patients who are occupying -(interjection)-

Mr. Speaker: Order, please; order, please. The Honourable Member does not have a point of order. It is a dispute over the facts.

Multicultural Policy Development Untendered Contract

Ms. Maureen Hemphill (Logan): Mr. Speaker, my question is for the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson). The conflict of interest guidelines for provincial employees state that employees shall not engage in a business transaction for personal profit based upon their official opposition, and employees shall not have direct or indirect personal business or financial activities which conflict with their official duties and responsibilities.

Can the Minister of Culture, Heritage and Recreation tell the House why she signed a \$25,000 untendered contract to develop multicultural policy with a firm operated by one of her cultural development officers?

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): Mr. Speaker, I will have to take that question as notice and get back to the Member.

Ms. Hemphill: Mr. Speaker, I appreciate the fact that the Minister has indicated she wants to take that question as notice.

Conflict of Interest

Ms. Maureen Hemphill (Logan): When she is doing that, I wonder if she could look very carefully at—I was going to ask her whether she had been told, when she signed the contract in November, that one of the two principal people in this firm who received the \$25,000 contract was a member of her Cultural Affairs Department, a development officer whose terms of reference clearly outlined the capability of developing the multicultural policy in her department without paying an additional \$25,000.00. Will the Minister look very carefully at the make-up of that company and look to see, if she was not informed, why she was not informed that there is a clear conflict of interest in that situation?

* (1035)

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): Mr. Speaker, those allegations are very serious allegations. They are allegations that I will take under advisement, check into the situation and get back to the House.

Ms. Hemphill: I have one further question. Could the Minister find out from her employee if she indicated clearly that she was one of the principal partners of this firm, whether that information was given and whether her department was aware of that when she looks at the information?

Mrs. Mitchelson: As I have indicated, it is a very serious concern, and I will get back to the House with the answers to that.

Free Trade Agreement Subsidy Negotiations

Mr. Richard Kozak (Transcona): Yesterday, the Trade Minister tabled a document that supports everything we have said to him over the last week.

The preparatory stage of the Canada-U.S. subsidy talks, which started November 15 as we indicated in this House, will indeed involve regular meetings with the Americans. The parties will indeed exchange interests and ideas and will, as we said yesterday, address the fast approaching U.S. congressional deadline.

Will the Minister today acknowledge that the first Canada-U.S. trade meeting took place on November 15?

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): If my honourable friend from Transcona had taken the interest to find out what they were meeting about, he would have found out it was logistics. The report says, and I quote, actual negotiations would be initiated in 1991. They are meeting about where they are going to meet, how they are going to meet, how many people are going to be there. That is what they are meeting about; negotiations take place in 1991.

Trade Minister's Preparation

Mr. Richard Kozak (Transcona): This Minister cannot understand the difference between the terms "preparatory stage" and "actual negotiations." The distinction is that nothing will be signed yet. Manitoba's interests are on the line now. How can the Trade Minister justify his laid back "I will be ready in 10 months" attitude?

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): I would like to also quote from the document tabled yesterday that says, 1990 will be a year of preparation, negotiations will begin in 1991. It is unfortunate, Mr. Speaker -(interjection)-

Mr. Speaker: Order. The Honourable Minister.

Mr. Ernst: Time must be taken to prepare for the negotiations. That is what the Canada Subsidy Trade Negotiation team has done. In 1990, they will prepare for the 1991 negotiations, as stated in the document tabled yesterday, which was before the House of Commons Committee.

Government Support Criteria

Mr. Richard Kozak (Transcona): This Minister obviously does not understand the definition of the terms involved here. I must ask him, as a result of that, will this Government announce today that its support for the Canada-U.S. Free Trade Agreement is contingent on a successful defence of Manitoba's economic policies in the subsidies negotiations?

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): Mr. Speaker, we support -(interjection)-

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

Mr. Ernst: If I could again quote from the report that was tabled yesterday in the House by myself. It said, Canada intends to preserve its capacity to pursue regional development objectives. Canadian social programs and cultural identity are not on the table.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Order.

Housing Market Decline Analysis

Mr. Leonard Evans (Brandon East): Mr. Speaker, I have a question for the Minister of Finance (Mr. Manness). Manitoba's economy is showing many signs of stagnation, including excessive business bankruptcies, declining building permits, low levels of new housing construction. Population loss, almost the size of the City of Portage la Prairie, is gone since this Government took office.

* (1040)

Now we have further evidence of weakness in the house building industry, namely, out of 20 major urban centres surveyed by Statistics Canada in September, Winnipeg was the only city to experience a decline in new housing prices. Canadian prices went up 11.5 percent, Winnipeg prices went down. Can the Minister of Finance tell us whether his department is monitoring this segment of the economy, and can he explain why Winnipeg has the weakest housing industry in Canada?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I thank the Member for the question. Firstly, let me indicate to him, I understand the Sun Centre location site was unveiled in Brandon yesterday. I understand that Brandon, particularly, is doing quite well under the economic boom in this province.

It is important that Government look at all statistics. I could not help today reading an article in the Free Press where a Mr. Clayton, by the name, one of the analysts in one of our major areas, indicated that British Columbia, Alberta and Manitoba are the only provinces which have had higher growth in total retail sales so far over 1988.

Let me also indicate that the value of manufacturing shipments was up 5 percent from September. Again

we have amongst the highest level of increase in the country as a whole.- (interjection)-

Mr. Speaker: Order, please. The Honourable Member for Brandon East.

Mr. Leonard Evans: He is not answering my question, Mr. Speaker. I would remind the Minister of Finance (Mr. Manness) that this Government has eliminated almost 60 jobs in the City of Brandon since they took office, and they are threatening another 25 to 35, so they have a long way to go.

Construction Industry Decline Analysis

Mr. Leonard Evans (Brandon East): I have a supplementary question. According to the latest Statistics Canada reports, employment in Manitoba's construction industry has declined 5.8 percent in the first 10 months of this year, whereas Canada's construction industry has increased by 5.2 percent. How can the Minister of Finance (Mr. Manness) account for the decline in the construction industry in this province? Does he have any reports explaining this deteriorating situation?

Hon. Clayton Manness (Minister of Finance): I am sure the Member is well aware that the Conference Board, in its latest forecast of the economy of the Province of Manitoba, showed that number to be at 5.9 percent, the second highest in the country as a whole.

Let me also indicate that our sales tax revenues at this point in the fiscal year are holding firm to the estimate that we laid before the people in the Province of Manitoba. Let me indicate also that many of our sectors are doing extremely well, and everything is on course in the Province of Manitoba. In a relative sense, this province is doing better than most provinces in the land.

B-A Construction Closure

Mr. Leonard Evans (Brandon East): The hard economic facts contradict the prognostications and the forecasts of the Minister of Finance (Mr. Manness). He can quote all the reports he wants, but the facts are there is a decline in the construction industry.

One of Manitoba's largest construction firms, B-A Construction, is closing down its operations because of the low level of profitability in the industry here. Does the Minister of Finance know of other construction firms that might wind down their operations because of the weak Manitoba economy?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I do not know what it is that the Member is asking for. I can indicate, given the capital budget that the Minister of Health (Mr. Orchard) laid before the people, we have one of the largest, if not the largest, contribution within the capital side of Health

expenditures that has ever been seen in the history of this province.

Within the Department of Highways, we have had the largest ever capital construction budget that has ever occurred within the Highways area, I believe \$103 million this year.

Mr. Speaker, in spite of providing \$61 million in reduction of personal income taxes in this province, we still had some monies available to maximize construction within this province.

Mr. Speaker: Time for Oral Questions has expired.

NON-POLITICAL STATEMENTS

Ms. Judy Wasylycia-Leis (St. Johns): I am wondering if I could have leave to make a non-political statement.

Mr. Speaker: Does the Honourable Member for St. Johns have leave to make a non-political statement? (Agreed) The Honourable Member for St. Johns.

Ms. Wasylycia-Leis: I am confident that all Members in this House will join with me in welcoming home Karen Ridd. An extraordinary Manitoban, a very special person dedicated to the most cherished goal of all, that of peace, and prepared to risk her own life for the freedom of others.

I believe today that we all want to tell Karen we are thankful for your safe return to your home, Manitoba. We are indebted to you for your courage and dedication in working toward peace in war-torn El Salvador.

Her work to assist Salvadorans in the face of indiscriminate bombings and widespread violations of human rights is an example of the greatest contribution, the greatest service, to humankind that an individual can make.

Some of the work we do here, as legislators in Manitoba, sure pales in comparison to the unselfish, courageous, peace-making efforts of Karen Ridd. She is a model for us all, she has done Manitoba proud. We thank you Karen Ridd.

Mr. Speaker: Does the Honourable First Minister have leave to make a non-political statement? (Agreed) The Honourable First Minister.

Hon. Gary Filmon (Premier): Mr. Speaker, on behalf of my colleagues in Government, I certainly want to add our words of welcome and thanks to Karen Ridd as she returns home to the love and support of all of the people of this community.

As a friend of the Ridd family, I certainly am very, very happy the efforts that were put in by people in Government and people throughout the community, in calling attention to her plight, resulted in her being released from imprisonment in El Salvador.

We certainly recognize that she was making a tremendous contribution to Salvadorans. Certainly her efforts will be lost and missed as a result of her having come home. We hope the continued fight for freedom

and democracy in El Salvador will result in the improvements that she was willing to risk her life to achieve. We certainly congratulate her and welcome her home very warmly.

Mr. Speaker: Does the Honourable Member for St. James have leave to make a non-political statement? (Agreed) The Honourable Member for St. James.

Mr. Paul Edwards (St. James): Mr. Speaker, it gives me great pleasure and honour on behalf of our caucus to join with the comments which have previously been made by the First Minister and the Member for St. Johns. It gives me particular pleasure to do that, to give praise and honour to an individual who was a classmate of mine in high school.

I have known Karen for many years, and I have always known her to have those qualities of selfless dedication and courage which she has shown in recent weeks in El Salvador.

I, too, and all the Members of our caucus join in giving a hero's welcome in this House, as Karen received at the airport last night, to this Manitoban who has, I think, proven to all of us the great selfless courage which she has, and the great dedication which she has to the people who are terrorized and who are in danger around this world, in particular, of course in her case, in El Salvador.

So on behalf of our Party, we join with the comments which have already been made, and we welcome Karen back. We encourage her in her good works. I am sure she will be back and make us proud many times in the future. Thank you, Mr. Speaker.

ORDERS OF THE DAY

Hon. James McCrae (Government House Leader): Mr. Speaker, would you be so kind as to call the Bills in the following order: 86, 70, 27, 34, 53, 79, 67, 56, 61, 80, 63, 35, 31 and the remainder as listed on today's Order Paper.

* (1050)

SECOND READINGS

BILL NO. 86—THE STATUTE LAW AMENDMENT (TAXATION) ACT, 1989

Hon. Clayton Manness (Minister of Finance) presented Bill No. 86, The Statute Law Amendment (Taxation) Act, 1989; Loi de 1989 modifiant diverses dispositions législatives en matière de fiscalité, for second reading, to be referred to a committee of this House.

MOTION presented.

Mr. Manness: Firstly, let me apologize to Members of the Legislature for not having brought forward Bill No. 86 somewhat sooner. I was trying to incorporate a possible change around some other tax, which took me the best part of a few weeks, and that of course has delayed the tabling of Bill No. 86 before Members of this House.

Bill No. 86, The Statute Law Amendment (Taxation) Act, 1989, introduces legislative amendments to Manitoba's taxation statutes giving effect to the proposals outlined in the 1989 Budget Address. The Bill also presents technical amendments required for the proper administration of the taxation statutes. Part 1 of the Bill amends the gasoline tax, providing authority for the increase in gasoline tax of one cent per litre, which was implemented September 5.

As announced in the budget, the approximate \$8 million in additional revenue generated by this measure, including the change in motive fuel tax described later, has been committed to increased resources for highway construction to a record level.

Let me indicate, particularly to the critic of Highways and Transportation from the official Opposition, that if he were to compare the construction and upgrading of the Provincial Trunk Highways section, as laid out in the Estimates under Resolution Vote No. 79, he would see an increase under No. 8 of approximately \$8 million, this year versus last year. That \$8 million is directly as a result of the increase in gasoline tax of 1 cent a litre.

Let me also indicate to Members opposite that we have chosen to do this as a Government policy rather than setting up a dedicated trust fund because the Provincial Auditor, we sense, would frown upon a system of setting up a dedicated fund which should be the recipient of additional gasoline tax funding. We have pledged to the people of Manitoba that by way of increased revenues as a result of the gas tax, that those monies will go directly into increased funding and support of the building of highways.

That is amply documented on page 93 of the Estimates this year, where indeed there is an \$8 million increase covering all the sections within the capital as related to highways construction.

The preference for gasohol, a less polluting form of fuel, is increased by 1 cent from 2.5 cents to 3.5 cents per litre, effective September 5. This measure will encourage production in Manitoba of the ethanol used in manufacturing gasohol, and the use of environmentally cleaner fuels by Manitoba motorists.

Aviation gasoline tax paid for fuel used in aerial spraying of crops in Manitoba will be eligible for refund effective for all of 1989 in subsequent years.

Other farm fuels are and continue to be tax exempt.

Mr. Speaker, Part 2 of the Bill amends The Health and Post-Secondary Education Tax Levy Act. The payroll tax exemption is doubled from \$300,000 to \$600,000 of annual remuneration. Reductions to payroll taxes are provided for employers with payrolls between \$600,000 and \$1.2 million. This change will take effect January 1, 1990, and will reduce the number of Manitoba employers paying this tax from about 3,600 to 2,500.

In the last two years we have raised the payroll tax exemption from \$100,000 to \$600,000 of annual salaries, a clear benefit to small- and medium-sized businesses in Manitoba. In just two years we have cut the number of employers paying the payroll tax by two-thirds.

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

Part 3 of this Bill, the longest and perhaps the most important, amends The Income Tax Act. This Bill provides a lower personal income tax rate for Manitobans reducing the provincial tax from 54 percent to 52 percent of basic federal tax. This reduction will save Manitoba's taxpayers about \$33 million for 1989 alone. This Bill also increases support for families. The Manitoba tax reduction for dependants under age 19 and for disabled dependants over 19 has increased to \$250 per dependant up from \$50 and \$150, respectively. Manitoba families will save over \$28 million for 1989 as a result of this measure.

Mr. Deputy Speaker, as Members know, the benefits of these changes could not be incorporated into source deductions in July notwithstanding the claims by the Leader of the Liberal Party (Mrs. Carstairs) following her seance with her Newfoundland Leader. Can we remember those days in June when I was attacked, personally attacked for not being able to provide payroll deductions at the beginning of July? The Member opposite, his only rebuttal is that he calls, he hurls at me the name, the Minister of "Walkouts."

What possible connection would that have to the fact that his Leader blundered so badly in the month of June when she leaned upon a brand new Premier, who would probably have no understanding with respect to taxation matters, and quoted a brand new Premier in this country to use as her defence to try and gain some political points. It speaks volumes about how desperate the Leader of the Liberal Party was with respect to this good news of tax reduction.

However, the full benefits of the reductions will be available to Manitobans when they file their 1989 tax returns next spring. For 1990, I am pleased to add these important reductions will be reflected in source deductions starting in January. As I indicated at the press conference two days ago, that will mean, for example, for a family of four earning \$25,000 or less, a provincial reduction in income tax of \$485.00. That should begin to be reflected immediately on source deductions beginning with January payrolls.

The amendments to The Income Tax Act also include two new measures affecting the net income tax. Refunds will be provided for any net income tax or net income tax surtax paid on unemployment insurance benefits repaid to the federal Government. Similarly, refunds of net income tax or net income surtax paid will also be provided in the case of farm foreclosures, repossessions or quitclaims. These measures will be retroactive to the implementation of the flat tax in 1987.

Mr. Deputy Speaker, what we had happening here because of the imposition of the 2 percent tax on net income, we had situations where farmers were forced off their land and yet had a sizable capital gain. Whereas they were rebated that on the federal side we still had the full impact of the 2 percent tax on net income brought in by the former Government attacking that increase in the value of property even though the taxpayer had no opportunity to even have the cash in their hand to meet that tax liability.

In fairness to the former Government, it was not their choice in the location of the tax form as to where they applied that 2 percent tax. That was a decision made by the federal Government in the joint tax collection agreement as we have between provinces and Ottawa.

Mr. Deputy Speaker, I would encourage taxpayers in situations that I have just referred to, to apply to the Manitoba tax assistance office for refunds. The majority of the amendments to The Income Tax Act contained in this Bill are made at the request of the federal Government. Under the terms of the Canada-Manitoba tax collection agreement the province is required to keep its income tax legislation in step with the federal Act.

The balance of the changes in Part 3 make the provincial Act consistent with federal legislation. Many of the provisions in Manitoba's Act paralleling federal provisions will be repealed and replaced by direct references to the federal Act. This approach will reduce the need for future provincial amendments when federal legislation is modified.

* (1100)

Part 4 of the Bill amends The Mining Tax Act. As announced in the Budget Address, a temporary special tax equal to 1.5 percent of mining profits realized between January 1 and December 31, 1989, will be applied. The special tax is an interim measure, and I stress, Mr. Deputy Speaker, interim measure, designed to protect Manitoba's revenue until income tax allocation problems are resolved.

Part 5 of the Bill amends The Motive Fuel Tax Act. As announced in the budget, motive fuel for off-highway use will be taxed at the same rate as fuel used on highway. The Bill also includes a number of technical amendments to the enforcement provisions of the Act.

Part 6 of the Bill provides the exemption from retail sales tax for on-reserve telecommunication services announced in the Budget Address. It also lowers the sales tax on imported beer from 12 percent to 7 percent, the rate charged on domestic beer in accordance with a 1988 GATT ruling.

Part 7 of the Bill amends the land transfer tax, provisions of the revenue Act and also adds a new part to The Revenue Act—Part 4, the environmental protection tax. The amendments to the land transfer tax modify the way in which land transfer tax is calculated, consistent with my February 15, 1989, announcement in respect of undivided interests in property. Members will recall prior to that announcement, land transfer tax was avoided or reduced on some sales of property by making use of multiple transfers of undivided interests, each eligible for the \$30,000 exemption from the tax.

Under the amendment, tax payable on transfers of undivided interests will be calculated on a proportional basis. For example, transfer of a one-tenth interest would pay tax equal to one-tenth of the amount payable if the entire property were transferable. The amendment changes the definition of fair market value used in calculating the tax to reflect the value of the entire

property, including buildings, in respect of which the transfer is registered rather than just the value of the interest transferred.

On proclamation, this change in definition will apply to all transfers. It will prevent further erosions of the land transfer tax base. In the case of undivided interest, the change in definition applies retroactively to February 16.

The Revenue Act is also amended by the addition of Part 4, the environmental protection tax which I announced in the Budget Address. Since August 1, this tax has been collected on alcoholic beverage containers for which a deposit return system is not currently available. From that same date, these containers have been accepted for recycling at a number of depots in Manitoba. The public response has been very positive. Further depots will be opened in the near future.

Our Government is pleased with the initial success of this measure and the associated opportunity to recycle these containers the environmental protection tax is helping to finance.

Part 8 of the Bill amends The Tobacco Tax Act to enact the changes announced in the Budget Address. The tax on cigarettes is raised by one cent each, to 6.5 cents and to an equivalent amount of proportioned tobacco sticks. The tax on fine cut tobacco is raised from 1.9 to 4.3 cents per gram. The Bill also includes other technical changes designed to protect the tobacco tax base, for instance, by banning marked products, which are taxed in other provinces, from sale in Manitoba.

Mr. Deputy Speaker, what I have detailed here over the last few minutes are basically the tax Acts as introduced within the June budget. I will make detailed technical notes outlining each of the provisions in this Bill available to the Opposition Critics prior to the committee stage of the debate.

I am hoping that Members of this House will see fit to address this particular Bill over the next two weeks. I am requesting some indulgence from the Opposition Parties and ask that they might consider—if they are going to support this Bill, if they might give it support within the next two or three weeks so that we can implement and make law many of those changes that have already been introduced into the Manitoba marketplace. Mr. Deputy Speaker, thank you very much.

Mr. Reg Alcock (Osborne): I think I will start by answering the Minister of Finance (Mr. Manness) that we are speaking on the Bill today. I am going to make a few comments on it right now and I will be the only speaker for our side. So we are prepared to see this Bill pass to committee immediately.

However, I would ask the Government House Leader (Mr. McCrae), given that the technical details are not available yet, that we hold the committee meeting off until such time as we have had time to review those notes that are coming from the Minister.

I do however want to comment on the remarks that the Minister of Finance had made in introducing this Bill to the media in which he commented on his concerns

Friday, November 24, 1989

because we were delaying the process of things through this House. I find that remark offensive. I would ask the Minister of Finance at some time to have the courtesy to stand up and tell us how he walks into this House on the 24th of November and reads a Bill for the first time and says that we are delaying the progress of this House. We are following an Estimates schedule set up by the Rules of this House and we have 101 hours left, following the schedule, and he says we are delaying the House.

We have had some Matters of Urgent Public Importance. Are those the things he is talking about? Is he saying it was unimportant to debate the Native education question, a debate which they supported? Is he saying it was unimportant to debate the GST, a debate that his Party was afraid to stand up and vote against? Lynn Lake—was it inappropriate for this House to debate Lynn Lake for a day? If that is the case, why did they stand and support that debate? We have even been prepared to let Estimates go past the time when there was a legitimate reason and we were prepared to hear something from the Ministers.

The only time the Opposition gets in this House is four hours a week, four hours, and the Minister expects us to give that up while they retain the agenda. We have four hours to put forward our agenda. I find it offensive that this Minister would waste as much time this year in bringing this Bill forward, and then would stand up and challenge us about the waste of time.

Mr. Deputy Speaker, we support this Bill. We have supported this Bill and these tax changes since before the Minister brought forward his budget, and we certainly supported it the very first time we spoke on this budget.

Let us talk a little bit about what is the effect of this? The Minister has made much about the \$61 million that Manitobans are going to receive and he commented in his—actually it was in his response to a question today in Question Period, he talked about the economic boom in this province. The economic boom is more of an economic dull thud. We have 7,000 fewer people working in this province right now. This province is heading in the direction that I think causes concern to all of us, including the Minister of Finance (Mr. Manness).

According to the Finance Minister's own Estimates of Revenue, Estimates of Revenue which he tabled in the House and which today in Question Period he said are holding firm, we are going to be collecting \$55 million more in consumption taxes this year than we were last year. Now he is talking about giving back \$61 million to Manitobans but in fact in his Estimates of Revenue he shows a net drop in income on individual income tax of \$2.3 million. Now why is that?

Well, it is because incomes have gone up somewhat and because of the changes in indexing on income tax policy, the bracket creep has allowed them to pretend to give back more money and still collect all but \$2.3 million of it.

They cannot have it both ways. This is a Minister who speaks in favour of consumption taxes, who talks about the benefits of consumption taxes, who off the

record, the Member for Winnipeg South, the federal Minister, Miss Dobbie, says that this Minister supports the federal Government's move on consumption taxes. He is prepared to take more money away from people but stand up here and talk about how he is giving money back.

On the corporate side, they are going to return \$63 million on their own revenue Estimates to corporations versus the \$2.3 million they are going to give to individuals.

I am increasingly tired of sitting here and watching the incompetence of this Government as it attempts to bring forward an agenda. We have yet to see any sense of a plan or a strategy or an approach to the management of this province.

The Minister of Justice (Mr. McCrae) chooses to comment from his seat—let us talk about what the Minister of Justice did. Let us talk about the management on that side of the House, right now, as they walk a Bill for impaired driving into this House, with great fanfare and talk about all the things that they need to do. He comes to us and he says this is consistent with the principles that you have been arguing for, for years, and will you support this Bill, and we say, yes we will, when we see the Bill.

Our critic for Justice says there are serious flaws in this Bill and proposes amendments. They ridicule him, they say not the case and they bring in, when it comes time to bring it to committee, some 15 amendments to that Bill. The Minister says, well, he does not know how to write a Bill and he wants us to put an idea on the table, get some concepts and we will work it out. That is how they manage, they are going to work it out.

* (1110)

They passed the Bill, we co-operate with them and we passed that Bill and then what do they do, they have to come back with 18 more amendments to get the darn thing to work.- (interjection)- They cannot—33 amendments later we have a Bill. Thirty-three amendments later, the majority of them put forward by the Member for St. James (Mr. Edwards). They expect us to have faith in their management. They expect us to co-operate with them. They stand there and they talk about us delaying things in this House. The only reason there is any delays in this House, is they are so completely incompetent that they cannot get things onto the agenda for themselves.- (interjection)-

I am sorry, Mr. Deputy Speaker, the Minister for Urban Affairs (Mr. Ducharme), one of the more incompetent Members of the House wishes to chair from his feet. He contributes nothing in these sky-gazing and occasional little remarks across the House, often of a personal nature. We will deal with him eventually.- (interjection)-

We are going to support this Bill and we are going to do everything we can to facilitate its quick passage. I do not want to confuse the support for this Bill with support for the budget. We are not going to vote for

Friday, November 24, 1989

The Fiscal Stabilization Act. We do not support that and we are not going to vote for this budget.

This Bill, this \$61 million in mythical reductions in the pockets of Manitobans accounts for 1 percent of the total program put forward in that budget. We are not going to support this budget and I will not support this budget until I see some action on the Municipal hospitals, until I see some action on home care, until I see some action to address the very serious problems that people are feeling right now.—(interjection)—

(Mr. Speaker in the Chair)

Oh, oh, did I hear a comment from the NDP? Did I, did I hear some sort of chirp from his seat, this Leader who chooses to sit here every day and support that Government, who stands up and complains about their actions and votes with them every time he has an opportunity? There was a time when I had some significant respect for the actions of this Party. There was a time when I thought they had some principles, there was a time when I thought they brought in some very good programs to this province, programs which I supported.

I guess the only question I have for the Leader of the NDP is, how many times do you have to swallow your pride before it begins to taste good? How many times can you sit there and watch those programs being dismantled and vote for it? I do not think the Leader of the NDP has anything to say right now.

I think I would like to close this debate by saying that the Liberal Party will support the passage of this Bill. I have the notes right now from the Minister of Finance (Mr. Manness). I would like to thank him for it. I would like a few days to review this and will be prepared to move to committee early next week. Thank you very much.

Mr. Gary Doer (Leader of the Second Opposition): I do not know how the Finance Critic of the Liberal Party can—and I knew there was a rift in their caucus about the last budget—but I do not know how the Finance Critic of the Liberal Party can vote against the budget and then vote for the tax measures. If you defeat the budget, you do not have the tax measures.

Mr. Speaker, I understand why the Liberals want early elections because they are dropping like Niagara Falls, but—

Some Honourable Members: Oh, oh!

Mr. Doer: —if I could speak to this Bill, please, without all the chirping.

Mr. Speaker: Order, please. The Honourable Member for Osborne, on a point of order.

Mr. Reg Alcock (Opposition House Leader): Mr. Speaker, on a point of order, I want to correct something on the record here. The Leader for the third Party (Mr. Doer) continually puts disinformation on the record,

and I think the only group in this House that is dropping is that Party.

Mr. Speaker: Order, please. The Honourable Member did not have a point of order. It was a dispute over the facts. Order, please. There is no point of order.

Mr. Speaker: The Honourable Minister of Housing, on a new point of order.

Hon. Gerald Ducharme (Minister of Housing): Mr. Speaker, the individual speaker earlier put many, many misguided things on the record.

Mr. Speaker: Order, order. The Honourable Minister did not have a point of order. The Honourable Member for Concordia has the floor.

Mr. Doer: The taxation Bill is a very simple Bill. It is pursuant to a budget that was presented in this House. It is not a big deal, Mr. Speaker, unlike what the Minister of Finance (Mr. Manness) has tried to project it as in his Speech from the Throne.

I am surprised the Liberals went for the bait and they are trying to make it a big deal in this House, because it is not. It is pursuant to the budget and we will review it to ensure it is consistent with the budget statements, and to ensure that the legislation contained therein is consistent with the budget.

We believe that we voted for the budget because it was consistent with the election promises we had made in Manitoba in '88. Therefore it is very consistent with our belief that the windfall of money in this province from both the federal and mining taxes should, to some degree, be passed on to the taxpayers of Manitoba.

We are not going to try to play both ways, Mr. Speaker. We are going to say one thing about the budget and one thing about the taxation measures that come out of the budget. I mean, this sort of gerrymandering cherry picking of votes is intellectually dishonest as well as factually incorrect. You either vote for the budget or you do not. No, it is very simple. I do not know whether the —(interjection)—

Mr. Speaker: Order.

Mr. Doer: Mr. Speaker, we have raised our credibility on health care in the programs we have identified. It is well-known to Manitobans. We happen to believe it takes some time to show the differences between the public relations of this Government and the actual reality of this Government. Whether the Liberals understand this or not, there is a discrepancy between what these people announce, which sounds great, and what actually is happening, which actually will not be so hot.

There is a discrepancy between what the Government appears to be announcing in the health care capital budgets, and that is why, unlike the Liberals who went on free trade subsidy negotiations all week, we went on health care. We went on health care all week. The

Friday, November 24, 1989

lead question from the Leader of the Party went on health care because it is a priority of ours. It is obviously not a priority of the Liberal Party. They are obviously not a priority of the Liberal Party, Mr. Speaker, and I think they are a little burned today because they heard a radio comment that said that nobody knows what the Liberals stand for. I understand why they are a little hot under the collar today. You can see the record. We have consistently raised the issues of health care, economy and the environment. Unfortunately, we left this Government in such great shape that it will take us some time before people realize that we are back to the Sterling Lyon economic days. It will take the people -(interjection)-

Well, I do not even want to deal with these people, they are so out of it. I mean, they are so out of it, it is like dealing with kids. I agree with the Leader of the Liberal Party (Mrs. Carstairs) when she said it was like dealing with an adult child care centre. It really is dumb to deal with them.

Mr. Speaker: Order, please. The Honourable Member for Kildonan.

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, with all due respect to the Member—

Mr. Speaker: On a point of order?

Mr. Cheema: Yes, Mr. Speaker, on a point of order.

Mr. Speaker: What is the Member's point?

Mr. Cheema: Mr. Speaker, with all due respect to the Member for Concordia (Mr. Doer), he has put on the record that we have not raised the Health issues. I am just trying to correct the information here. It is wrong.

Mr. Speaker: Order, please; order, please. That is not a vehicle to use.

Mr. Cheema: Mr. Speaker, we have raised consistently—

* (1120)

Mr. Speaker: Order, please. The Honourable Member does not have a point of order.

Mr. Doer: I have a lot of respect for the Member for Kildonan (Mr. Cheema) and I thought that he should have been the lead questioner yesterday. I thought that the health care was much more of an issue yesterday, and it continues to be an issue as we raised again today.

I noticed on Tuesday morning that the Leader of the Liberal Party (Mrs. Carstairs) did not ask one question on health care when the Minister of Health (Mr. Orchard) had released the Capital Program, not one question.

They do not care about health care, because the Leader should exemplify where the priorities of the Party are, or they are scared of the Minister of Health (Mr. Orchard), or both.

I respect the Member for Kildonan raising these health care issues, but all of us have to exemplify where our Party is at by our lead questions. The facts speak for themselves. Look at the record on Tuesday morning, look at the facts on Tuesday morning.

Mr. Cheema: What is the role of critics then if the Leader has to raise each and every issue?

Mr. Doer: Mr. Speaker, it is a combination. We went with both people. The Liberal Party did not go, they went with a very capable critic who I respect. I have a lot of respect for the Member for Kildonan. I think he does a great job. I do not always like him applauding the Minister of Health (Mr. Orchard) so much in Estimates, but we will try to ignore those nice things he says about the Minister of Health because in the House in Question Period he is pretty tough on the Minister of Health. We are more akin to his position in this Chamber than the Estimates process with the Member for Kildonan.

The bottom line is you get a budget, and you have to make a fundamental decision of whether you defeat the budget and go to the people or whether you make another decision not to defeat the Government. In the budget there is taxation legislation and there are Bills pursuant to a budget. The Fiscal Stabilization Fund is part of the budget. The budget also has taxation measures in it. I do not understand, this is a new degree of dishonesty, in my opinion, to try to play it all ways against the middle. Over the short run you can be intellectually dishonest, because in a world of 10-second clips you can say one thing one day and you can say another thing another day. You can do that for a while and that is unfortunate, because over a period of time it catches up with you.

Over a period of time we believe that the economic performance of the Conservatives and the health care performance of the Conservatives will be quite different, at the level of which people receive the services and see their Government, than what they see on the front pages of the Free Press on a daily basis, and that is our job to prove.

It is our job to take the public relations and these red ribbons that are being cut five times in a row—I mean, the Minister of Health has cut one red ribbon five times now. It is our job to show this is just smoke and mirrors, and sometimes—I say this to my honourable Liberal friends—that takes some time. You know there is an old song, an old country and western song, "You've got to know when to hold them; you've got to know when to show them." You also do not count your money until the day is done.

(Deputy Speaker in the Chair)

We in the New Democratic Party would like to have all Manitobans know what we know, and therefore we would love to have the Manitobans know what we know and go to the polls right away, but sometimes it take

Friday, November 24, 1989

BILL NO. 70—THE PROVINCIAL COURT AMENDMENT ACT

Hon. James McCrae (Minister of Justice and Attorney General) presented Bill No. 70, The Provincial Court Amendment Act (Loi modifiant la Loi sur la Cour provinciale), for second reading, to be referred to a committee of this House.

MOTION presented.

Mr. McCrae: I am pleased to present to the Legislature for its consideration The Provincial Court Amendment Act. These amendments arise from a review of The Provincial Court Act that was undertaken by the Law Reform Commission at the request of the Government as part of the Government's responses to the ticketgate affair.

With the passage of this Bill and The Summary Convictions Act the Government will have taken significant steps in response to that unfortunate affair. We will also have taken extremely significant steps in terms of provincial court reform in the Province of Manitoba, a reform I am pleased to be part of, and I believe the reform will serve the people of Manitoba well for a long time into the future.

The Law Reform Commission presented a very detailed report with 94 specific recommendations. The report was extremely well researched and well done, and I thank the Law Reform Commission for the good work they did. This legislation does not implement all the recommendations of the commission. In fact, I am extremely pleased to be able to present this legislation at this Session. We only received the report of the Law Reform Commission some very few short months ago and a lot of work has been done since the receipt of that report to bring us to the point we are today.

The fact that a recommendation of the Law Reform Commission is not included in this Bill does not mean that the Government has rejected those recommendations. They are still being studied and may be the subject of legislation in the future. This Bill implements recommendations of the commission with respect to three vital matters.

* (1130)

First, the legislation will provide for a committee to evaluate potential appointees to the provincial court Bench and to make recommendations to the Government. That committee will be chaired by the chief judge and include a judge designated by the judges of the provincial court, a person designated by the president of the Law Society of Manitoba, and a person designated by the president of the Manitoba Bar Association. As well, there will be three persons who specifically cannot be lawyers, judges, or retired judges appointed by the Government.

As Members can see, the Government does not have a majority on this committee, so there can be no question of the Government stacking the committee to get persons it wants appointed approved without thorough inquiry and scrutiny.

a little time to erode the public relations campaign of a Party that basically owns the media.- (interjection)-

Well, read the book "100 Monkeys." It is a very good book to read; it showed how the Prime Minister of the country last year had the media totally on their side for about six months leading into the last federal election, and look what happened to Canadians after the 100—

An Honourable Member: Three weeks before the vote they were down in the polls.

Mr. Doer: One poll, that is problem with going with these little polls. They had the media going with them for about six months and what happened? We have GST, we have no VIA Rail, we have no Medicare, we have no education, it is all being eroded, that is what we voted for a year ago.

The New Democrats believe that, yes, we should go to the people because we do not believe a Sterling Lyon-Filmon-like Government is good for the economy and good for the healthcare, but we are going to choose a time that is consistent with the people seeing really what the Tories in this province are what they are, and that is a ruthless right-wing Government that is only tempered by a minority Government in this Chamber.

We are going to stay on our priorities of getting our economy going, really developing our health care system which is not happening in this province, and a real environmental policy, not this flimflam environmental policy of sustainable rhetoric.

We will not say one thing on June 11 and say another thing on November 25. We said we would support the budget, and therefore we will look at the individual specific measures of the taxes.- (interjection)- Well, if the Member for Osborne (Mr. Alcock) would read my first statements when I declared for Leadership he would find they are very consistent with what I have done now.

I will watch what resolution the Liberals pass at their federal convention on June 23, because I know which resolution we will be passing next week at our convention. Unlike the Liberals and Tories, we debate issues at our convention floor. We are not an adult child care centre that gets led around by a little string. We will vote on the taxation measure unless there is something in here that we did not expect that we have to review. We will vote the same way on this measure in December as we said we would vote in June.

We will not flip-flop around, and we will be very consistent with the people of Manitoba. That is our pledge in this Legislature and that is our pledge outside of here, no public relations gimmicks on our Party's part. We will do it, we will vote the way we said we will vote, we will not change back and forth, Mr. Deputy Speaker. Thank you very much.

Mr. Leonard Evans (Brandon East): Mr. Deputy Speaker, I would move, seconded by the Member for Concordia (Mr. Doer), that debate be adjourned.

MOTION presented and carried.

Friday, November 24, 1989

The duties of the nominating committee are set out in the legislation. Briefly the committee shall advertise for applications and nominations, and then shall provide the Minister of Justice with not less than three and not more than six candidates for each available position. The Government believes, and we expect all Members of the Assembly will agree, that because judges are invested by our system of rule of law with enormous power over the lives of our citizens, it is essential that the citizens have confidence in the persons appointed as judges. The confidence of the citizenry can only be enhanced by having a committee review the candidates.

This review should ensure that all appointees to the provincial Bench are well regarded, not only by the legal profession but also by the community at large. The legislation provides for a parallel process for the appointment of the chief judge with the obvious change that the chief judge to be appointed cannot serve on that committee. The Minister of Justice appoints a person to act as the Chair of the nominating committee in that situation.

The second major change in the legislation is the provision for a judicial compensation committee to be established every two years to review and make recommendations regarding the salaries and benefits of judges, including their pensions, vacation, sick leave, travel expenses and allowances. The public perception of the independence of the provincial judiciary can be undermined by the fact that the judges must negotiate with the provincial Government directly for changes in salaries and benefits. This procedure in the past has been referred to as coming to the Government with cap in hand.

I believe Governments in Canada have been scrupulous in dealing with the issue of compensation totally separate and apart from other questions connected with the performance of judges of their duties but it remains a fact that the provincial Government that sets the judge's salary is also the Government that prosecutes accused persons before those judges and that can leave a perception of conflict of interest.

The compensation committee will include a person designated by the judges of the court and two others, one of whom shall not be a civil servant appointed by the Government. An interesting feature of the legislation that is proposed to this Assembly is that the Government must, within 30 days of the opening of the next Session, after the presentation of a report, table it and refer it to a standing committee within a further 30 days.

The Law Reform Commission in its recommendation on this matter suggested that the recommendation should automatically become applicable unless legislation to override the recommendations was passed by the House. There are practical difficulties in having the recommendation automatically come into force at a specific time because the Assembly often does not sit for months on end—

An Honourable Member: Not lately.

Mr. McCrae: That was something that happened quite often with the previous administration but it has not

been happening lately, as pointed out by the Honourable Member for Fort Rouge (Mr. Carr). More recently the House sits for months on end.

The House, therefore, might not be in a position to deal with the report within the specified time with the House not sitting for periods of time. The provision in the Act will require the Government to take action in the House and ensures that the Legislature will remain as it should, ultimately responsible for the setting of the salaries.

This Bill provides for the chief judge to have a general supervisory power in respect of the courts, and for the chief judge to conduct an initial investigation respecting the fitness of a judge and either take corrective action or refer the matter to the judicial council.

A strange weakness of the current Act is that it provides no protection for the chief judge, who can be removed virtually at the whim of the Cabinet. I think this is clearly inappropriate and undermines the independence of the chief judge. That independence is, of course, essential since the chief judge conducts the initial investigations into the behaviour of other judges. Accordingly, the legislation now provides that the chief judge shall hold office during good behaviour, and the Cabinet can only remove a chief judge if there is a recommendation to that effect from the Judicial Council.

In summary, the amendments proposed by this Bill, to The Provincial Court Act should enhance the independence of provincial judges by taking their nomination out of political hands, by providing for an independent review of their compensation and by enhancing the role of the chief judge while protecting the chief judge from arbitrarily being removed from office.

I would like to take this opportunity in presenting this Bill to the House to pay tribute to certain judges of the Provincial Court, with whom I have had extensive discussions regarding the ultimate make-up of the Bill before the House today. I should single out for mention Chief Judge Stefanson; Judge Howard Collerman and Judge Win Norton with whom, as I have said, I have had extremely open and frank discussions.

I think that kind of discussion is the type that leads to the kind of legislation that we have, legislation where there is general agreement, I believe as to the direction that we are going in. I think it cannot be denied that there have been one or two sticky patches, if I could use that expression, in matters relating to the provincial judiciary over the last 18-19 months. I think I can say without fear of contradiction that relations between the judiciary and the Government of Manitoba have improved significantly since the election of the new Government in 1988.

I again pay tribute to those judges with whom I have been discussing matters related to their arrangements and ask that the Honourable Members have a look at this Bill, and I would commend it to the House.

Mr. Paul Edwards (St. James): I move, seconded by the Member for Fort Rouge (Mr. Carr), that debate be adjourned.

MOTION presented and carried.

Friday, November 24, 1989

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, Bill No. 27, The Fiscal Stabilization Fund Act, standing in the name of the Honourable Member for The Pas, who has 39 minutes remaining, the Honourable Member for The Pas.

Mr. Harry Harapiak (The Pas): I am pleased to stand and continue my comments on Bill No. 27, which deals with The Fiscal Stabilization Fund Act. There have been many speakers. There are only two speakers left from our side of the House left to speak on this very important Bill. I know there has been a lot of viewpoints expressed on how we should be addressing this, and I know the Liberals are in a bit of a dilemma. You see them today, their Acting Minister of Finance, stand up and say they are going to be supporting Bill No. 86 when they voted against the budget, so they continue to be in a dilemma.

I have heard in recent days that they may be supporting Bill No. 27 after they have had some feedback from the general public. I guess they are testing the winds again and they feel that they may be supporting this now. I know that it is a Bill that has been debated by both sides of this Legislature, and they have put on record some of their reasons why they are voting against it and why they are voting for it. I know that in most cases the Liberal Members have said they are going to be voting against it, and they have chastised us as an Opposition Party for supporting the Government during the last vote on the budget.

They felt that they wanted to go to the people at that time, and I think that they would probably have been disappointed at the results of that if there had been an election held at that time, or maybe at that time they would have been in a position where they would have had some favourable support as far as they were concerned, but I think the people of Manitoba would probably have been disappointed.

When they speak against the Bill, and yet they come out with so many areas of where they are going to be spending that money, I do not understand how they can speak against the Bill and yet have the funding to spend. There are many programs that they have brought forward, many suggestions of how they would be—

* (1140)

Some Honourable Members: Oh, oh!

Mr. Deputy Speaker: Order, please. The Honourable Member for The Pas has the floor.

Mr. Harapiak: The Member for Portage la Prairie (Mr. Connery) is once again having difficulty containing his enthusiasm for speaking from his chair, and I hope that he would—

Hon. Edward Connery (Minister of Co-operative, Consumer and Corporate Affairs): You excite me with your rhetoric.

Mr. Harapiak: Mr. Deputy Speaker, the Member for Portage la Prairie has said I excite him with my rhetoric, and I have not put any rhetoric on the record yet, so I am wondering, he is very easily excited. He has proven that in the past, because when he was the Minister responsible for the Environment quite often he would not only excite himself, but he would excite some of the Members of the Cabinet, I am sure, with his answers when he would make comments off the cuff. I am sure the Premier (Mr. Filmon) on many occasions got excited as well, and I can understand why he would get excited.

Mr. Deputy Speaker, if this Fiscal Stabilization Fund is not passed, there would be \$200 million that would be lost for programs that are badly needed for the people of Manitoba. I know there are differences of opinion on how people would be spending that. The Minister of Finance (Mr. Manness), I know that his priority is to reduce the deficit, and I can understand why he would feel that way.

As a Member of Treasury Board in the last Government I know that you get the information which shows you that you are headed in a direction which is not a very good direction to be going in, because it reduces your ability to deliver programs when you are spending a good percentage of money on interest rates to carry that deficit. I can understand why—

An Honourable Member: Why did you not say that when you were in Government, Harry?

Mr. Harapiak: Mr. Deputy Speaker, the Minister for Industry, Trade and Tourism (Mr. Ernst) gets up and says why did we not say that when we were Government. I was a Member of Treasury Board, and we were working toward that goal. We were reducing the debt, and some of the decisions we made at that time made it possible for you to have this \$200 million deficit (sic), so you read where that revenue comes from and then give credit where credit is due. It is unfortunate that you would not take that opportunity and then give us some of the credit for putting you in a position where you could have a reduction of that sort, plus have a \$200 million Fiscal Stabilization Fund.

I know it is very difficult dealing with some of the programs that you have to when you are working toward a deficit reduction and at the same time working with some of the social programs that we believe in very strongly. We still continued to deliver on those social programs which at that time had an effect on Manitoba, and they still continue to have an effect, because of the fact that we have a minority Conservative Government who do not dare go on their right-wing agenda, as they would if they had a majority like they have in the federal House.

There is the real Conservative Government operating at the federal level where they are slashing as if they do not care about the financial means of the people who are being affected, for the goods and services tax is a good example, it is a good example of where the real Conservative agenda would be. If these Conservatives in Manitoba had the type of majority that they have in the federal House, we would be getting this same right-wing programs that they are getting at the federal level.

Friday, November 24, 1989

You have a look at the cutting of VIA Rail. Surely a country that was founded the way we were, where the rail lines bound the country together, is worth preserving. It still provides a very good service in which, during the last period of time, it was not possible for you to get reservations on VIA Rail because of the fact that those trains were full. The Conservative Government had a task force which was made up of a majority of Conservative Members who went out and had a task force. The recommendation their own committee made to them was not cut it at this time; wait and get more information to see how some of those changes are going to affect VIA Rail's operations, and -(interjection)-

Well, the Minister of Transportation (Mr. Albert Driedger) of Manitoba says he convinced them. Unfortunately, he would not talk to Bouchard who is the Minister who is responsible for transportation, and maybe he would have convinced him. If he was that forceful in his discussions with the task force, then maybe he could have been forceful with Bouchard and allowed him to carry on with that VIA Rail, because it does provide a good service.

I think that quite often the Minister is patted on the back for having received a one-year extension for VIA Rail to Churchill in the North here, which serves as the only transportation link that there is for some of those people along the bayline but, no, one year. They have to prove that they can operate or else it too is going to be lost. I think it is unexplainable how a Government can be so heartless in their approach to the needs of Canadians, and I think that this goes right along with free trade.

They want to develop their free trade in a north-south direction rather than east-west which has had the effect of binding this country together. Instead, with the Free Trade Agreement it is going to tear it apart, because in that same area, the transportation, it is now going to be necessary for people to travel via bus to the United States and get on Amtrak, travel west, and then take a bus back to a Canadian point where they can again make a Canadian connection. I think it is deplorable that we would be taking that type of a direction in dealing with that issue.

Another area that the Conservatives at the federal level are cutting off is dealing with the tax benefits that Northerners enjoyed over the last several years. It is understood by anyone who has had any experience in northern Manitoba that it costs you more to live in northern Manitoba than it does in the other parts of the country, and the \$5,400 tax allowance was something that helped bring people into northern Manitoba.

Even with that assistance that we had, we still had a terrible time of attracting professional and tradespeople to northern Manitoba, who are going to be required if we are going to be attracting people into that part of the country. But, no, the task force report has been tabled which said they should lose those benefits, and people from Thompson and Wabowden who had previously lost those benefits are not going to have them reinstated. Points like The Pas, Flin Flon, Swan River, Winnipegosis, Camperville and many of

those points which would have a much higher cost of living than they do in southern Manitoba are going to be lost.

After receiving many petitions from Northerners, yesterday they decided that they would come down and have a meeting in northern Manitoba. They were going to go to speak to the people of Thompson last night, and they did not allow presentations to be made. All they did was come forward and tell people how they were going to be affected by that Northern Tax Allowance cut. If that is consultation, it is a shame.-(interjection)- That is true, it is a shame that the federal Government would deal in such a heavy-handed way with the people of northern Manitoba.

I am glad to see that the Minister of Northern Affairs (Mr. Downey) is standing up for the people of northern Manitoba and supporting us in the Northern Tax Allowance. There are meetings today in Flin Flon and The Pas, and again there is not any opportunity for people to make presentations to the task force; all they are going to do is go down and show the people how they are affected by the cuts, and they are going to have to live with them.

It is a heavy-handed Government at the federal level, and I am sure that if they had a majority here in Manitoba we would be getting the same type of treatment in northern Manitoba that we got under the Sterling Lyon administration where they cut all the services off for northern Manitoba. We were dealt with in a very heavy-handed way, and once again we would be treated in that way.

Mr. Deputy Speaker, I was speaking earlier on some of the dilemma that the Liberals are faced with, and I guess they have continued to come forward with programs that they would support where they would spend this \$200 million. I know that there has been some discussion on their philosophy of having a means test for some of the social programs that are brought forward. The Liberal Leader (Mrs. Carstairs) used that during some of her speeches in the last election. She felt that maybe the means test was something to look for.

I think that would be unfortunate if we went to a means test. I guess the Member for Seven Oaks (Mr. Minenko) and the critic for Health held a press conference in northern seats of the city here. They once again espoused their philosophy on how health programs should be delivered, and again they were saying that there is room for a means test.

* (1150)

I think the people from Manitoba should know that would be the Liberals' philosophy if they ever took Government. If the current Leader of the Liberal Party (Mrs. Carstairs) was the Leader of a newly formed Government, I think you would see a complete swing to the right at some of the approaches to their programs. When you listen to her philosophy she is more right wing than the Leader of the present Government in many of her approaches, especially in the whole area of the health care approach.

An Honourable Member: Well, wait until he gets his majority.

Friday, November 24, 1989

Mr. Harapiak: They said they will vote against this Bill. I know that they were saying that earlier when they were wanting an election. I do not think that they are quite as anxious for an election at this point as they were when the budget came about. Some of the recent polls have indicated that they have been slipping in their support. Therefore, they are not quite as anxious for an election as they were a couple of months ago.

I guess they talked about some of the things that they would spend their money on and one of the areas that we should look at is the home care. The Home Care Program has been, although they say they have not changed any of the policies—the present Government has not changed any of the policy with the Home Care Program but they certainly have been interpreting. They have been interpreting the policy guidelines where many people are getting cut off. Where they were previously getting support under the Home Care Program, they are now being cut off.

I guess it worries me very much as to where that will wind up, because I think it was one of the most positive programs that we had brought forward. It allowed people to stay in their home with some assistance from a home care worker, which is a heck of a lot more reasonable. The people feel much more positive about their existence when they are able to live in their home surroundings. I think it is a very good investment.

I would hope that the Home Care Program would be strengthened rather than cut back, and the interpretation of the rules would be cut in a way where there are many people that are being cut off. I know there are several examples of that in my own constituency where people were receiving home care previously are now not receiving the home care support that they were getting previously. I think that it is really being foolish in their approach when they are cutting off the support that home care workers were getting previously.

I think that it is much cheaper to have people living in their own home than to have them living in the institutions. When you add the cost of all the health care workers that are required when you live in the institutions, it is a good investment to strengthen that Home Care Program and not be cutting back in it.

Mr. Deputy Speaker, one of the other areas that I would like to speak on when I am talking about the Fiscal Stabilization Fund is where they can spend the money today rather than leaving it in a sock for a rainy day, because I think in many cases it is raining.

I think one of those areas is the Day Care Program. There have been demonstrations right across the province. There were guidelines or regulations put in place which required the day care workers to have a certain standard of training before they go into the field. I supported those guidelines when they were put in place, because I believe that when day care people are getting service within the day care industry, they should be getting very strong support from qualified people.

I know that in cases in northern Manitoba, the meetings I have attended with them, their pay level is

lower than what people in the City of Winnipeg are getting. Once again, I point to the fact that their cost of living is much higher in southern Manitoba. I know those people, in many cases, are single-parent families that are supporting families, and they are not getting the type of funding that they should. I think it would be a very good investment on the part of the Premier and this Cabinet to put some funding into day care to supplement the wages of it. It is not only supplementing the wages, I think it is important that we continue to offer the quality of day care that is second to none in Canada.

I think in many instances, the Manitoba day care program was used as an example when other jurisdictions were setting up a day care program. The Manitoba day care program was used as an example of how their program should be set up. I think they should continue to support what we had in place for them, continue to provide the training that is required and supplement their salaries so they will not be leaving the day care field like they are now. They feel they are not being paid an appropriate level of salary so they have no choice but to leave it.

Many of the people who are working in that industry are there because of the fact that they love to work with children and they love children, but that eventually wears out. Those people do need an appropriate salary scale to continue to stay in that field.

Who is going to suffer if there is a high turnover in the day care field? It is the children who are our future, and no investment is too great for that field at this time.

I think the Minister of Family Services (Mrs. Oleson), should look very seriously at meeting with these people and resolving that issue so they can continue to provide the quality of day care that they have been providing in the last little while.

We have received many petitions from right across the province supporting MCCA in their efforts to try and get an appropriate pay level for the people who are employed in that field.

Mr. Deputy Speaker, one of the other areas that I think is very important that we address, and one of the areas that we could be spending some of this \$200 million Fiscal Stabilization Fund on, is in the whole area of the environment.

I know that the previous Minister who was responsible for Environment did not believe in supporting the environment. While he was the Minister responsible for it he was a complete disaster. I am pleased that the Premier chose to remove him, and we have a much more reasonable Minister in that position right now.

There are some areas that they should also be looking at supporting. I think some funding could come from this Fiscal Stabilization Fund, which would protect—and I am speaking about the area of protecting the water supply for the City of Winnipeg. When over half of the population of the Province of Manitoba receives their water supply from Shoal Lake surely that is an area that is worth protecting.

The Winnipeg Water Protection group has been working very diligently to try and educate the

Government on some of the needs that are out there in the whole area of protecting our water supply for the City of Winnipeg. I think it would be appropriate for this Government to supply some intervening funding for this group. They have some very excellent people who were involved with that Winnipeg Water Protection group who have brought some really good recommendations forward of how we can be ensuring that our supply of water is not affected. I would hope that the Members of the Cabinet, who are present, would take that message to the Minister of the Environment (Mr. Cummings), support that and bring forward some intervening funding for that group.

They have done some investigative work, which has shown that there is a threat to that water supply. They were accused, at one time, of maybe helping cause some of the difficulties that were in samples that were brought forward for testing.

I know once the testing was completed they absolved any wrongful connections with anyone. It was really the mining industry that was in that area had not contained their waste in a proper way and some of the waste was leaking into Shoal Lake. I think that they brought this information forward. I think there are documents now that show there are some serious environmental concerns about the water supply that the City of Winnipeg is receiving. I think this Cabinet should use some of this rainy day fund to make sure that our water supply for the City of Winnipeg is protected.

* (1200)

There was some information that was shared with us which showed that there was a different approach being taken by the Ontario Government which would take the need for environmental assessment away from The Environment Act and put it under The Municipal Act. These people do not have the expertise of dealing with this very difficult situation. Therefore, I would hope this Minister of Environment (Mr. Cummings) that we have in the Province of Manitoba who is much more concerned than the previous—yes, he is a good man. He is much more concerned about the environment than the previous Minister, and will make a strong presentation to the Ontario Government to make sure that it stays within the Environment Department and is not shuffled off under Municipal Affairs which would make it much less meaningful when dealing with the environment.

I would hope the Premier and the mayor who was recently re-elected should be becoming more involved in dealing with the water supply that is so necessary for over \$600,000.00.

An Honourable Member: Those guys did not do anything, not a thing. They passed the legislation, but did nothing.

(Mr. Speaker in the Chair)

Mr. Harapiak: The previous Minister of Environment once again says we passed the Act and did not do anything about it. Even though he was Minister he does not seem to realize that the Act was passed shortly before we were defeated as a Government.

An Honourable Member: You never heard of preconsultation and preparation and planning and organizing. That is why he got thrown out.

Mr. Harapiak: Well, I guess that is where the preconsultation was going on. The Environment Act—consultation went on with all segments of society—

An Honourable Member: You were about to do it—the about-to-do-it Government.

Mr. Harapiak: No, we were not about to do it. We had done the consultation prior to our being defeated and The Environment Act was brought forward. We were going to bring forward regulations which dealt with many parts of The Environment Act. The new Government did not act on that at all. I think that they have failed and maybe we should have put some of those regulations right into the Act and been a little more forceful with the way it was brought in.

I think there was an opportunity for the new Government to bring forward some regulations which would have protected the Winnipeg water supply, but they failed to act on it. I would hope that the Minister would bring forward intervenor funding for the Winnipeg protection group, because they are doing an excellent job of informing everyone of how our water supply can be affected by the development on Shoal Lake.

I think one of the areas that they should look it is how the Shoal Lake Band can be supported in their economic development. I know that they deserve the opportunity to have economic development. How can that be addressed without affecting the water supply? How can the mining industry operate without affecting our water supply? I think there is a lot of research that needs to be carried out and I think it would be a good investment on the part of this Government to use part of this rainy day fund to have this group supported for some funding.

I know some of the tests that were carried out showed there was a high level of cyanide. The Minister showed on television that he was not afraid to drink that water, and I guess I would not have taken the same approach as—(interjection)—

Mr. Speaker, in the investigation that was carried out by the Ontario water experts, they were convinced that the mine tailings pond near Shoal Lake was the source of the cyanide. They ruled that the water supply was not spiked. Therefore, there was some need for the mining industry to use a much better system of containing their ponds so that it does not leak into Shoal Lake to affect our water supply.

One of the other areas, Mr. Speaker, that when we are dealing with the whole area of environment is the recycling. I know that the Minister of Environment services (Mr. Cummings) has brought forward a pilot project in the Wolseley area to move ahead with some recycling, a blue box program in the City of Winnipeg. I think that it is important that we continue to support that program.

I think you will see that the people of Manitoba are further ahead in this whole subject of recycling than

Friday, November 24, 1989

the Government is. I think they have done a good job of educating the public on how the recycling can be done. I think they continue to bring forward many suggestions of how it can be improved. We should be supporting this on a much wider basis than it is right now.

I guess it is prudent that we have put it into one part of the city. If we do not want to follow the examples that have been going on in Ontario which shows very clearly that a good portion of the waste that was going into landfill sites on previous occasions can be used for recycling. I think that the project in Wolseley will show that Manitobans will participate at a very high level.

It is my hope that when the Government sees the results of the Wolseley pilot project that they will come forward and have city-wide recycling. There is—

Mr. Speaker, I am having a great deal of difficulty in speaking because the Member for Portage la Prairie (Mr. Connery) continues to interrupt me and I think it is very unfair of him to be carrying out—

Mr. Speaker: Order, please. The Honourable Minister of Consumer and Co-operative Affairs (Mr. Connery) and the Honourable Member for Elmwood (Mr. Maloway), if the two of you wish to carry on your conversation, you can do so in the Members' Lounge.

The Honourable Member for The Pas has the floor.

Mr. Harapiak: Mr. Speaker, we are dealing on the subject of recycling and I would hope that there is one other area that this Government would have the courage to move into and that is in the area of using recycled paper.

I know that there is an example of the federal Government in the United States where they have shown that a certain percentage of their purchases will have to be with recycled paper. It was not very long after they made that decision that the entire pulp and paper industry in the United States moved in that direction.

I know that in discussions with Repap on this very same subject they are saying it was not possible to utilize recycled papers. I have no technical information whatsoever. I have no expertise in this area. I know when industry in the United States could move in that direction, then surely if the provincial Government, who is a major purchaser of paper in the Province of Manitoba, if they said that a certain percentage of their materials would be of recyclable type then it would not be very long before all of the industries in Manitoba would be moving in that direction as well.

As it stands right now you cannot purchase recycled paper from Canada. We certainly have not followed the example of some of the European countries and recently the United States who have said that they would be utilizing recycled paper to a much greater degree.

An Honourable Member: About to do it.

Mr. Harapiak: The former Minister of the department says he is about to do it. Maybe it would be appropriate

for us to have an election at this time so they would be defeated and then they would say we were about to do it but we got defeated.

I think that the Member for Portage la Prairie (Mr. Connery) is very excited about an election. I think if he is that excited, they are in a position to call it. Why do they not call it? If you are that anxious for an election, why do you not call the election and just see what the people of Manitoba would tell you about what an excellent job you are doing. If you are that sure, do it.- (interjection)-

The Member for Portage la Prairie (Mr. Connery) is telling us, defeat him. I guess they are not quite as confident as he says he is because he needs those couple of points which it will cost him if they go to the people of Manitoba rather than being defeated, but he may get his wish soon as well.

I was speaking on recycling and I think one of the other areas that we need to be doing some research in which some of this Fiscal Stabilization Fund can be used in is the recycling of oil. There are some industries that have moved into that area and the complete supply of recycled oil was used up completely by this jurisdiction. I think that the industry needs to be encouraged into moving in that direction and I would hope that the Government would be supportive of an initiative like that and move into the recycling and put some research money into there. Possibly the corporations have already done that research because there are some other jurisdictions that are using recycled oil.

* (1210)

When you deal with procurement the Government of Manitoba is a very big purchaser. If they moved in that direction it would not be very long before you would see other jurisdictions following their example. So I would hope that they would move in that direction.

When you talk about recycling one of the other areas that is being utilized to a great degree is the whole field of utilizing the plastic bottles and cans. I think that the public has reacted very positively to how we can help not only in reducing the landfill sites that are required for burying this waste that was previously coming to our dumps, but also there is a good product that can come out of recycling the materials. There are many volunteer organizations who have participated in fundraising events by utilizing aluminum cans and plastic bottles. Now it is possible for them to bring the glass bottles in as well.

At our recent Committee of Natural Resources and Public Utilities we dealt with the Manitoba Liquor Control Commission. I have to give them credit for it, they came forward and they included the information in the packets when the people were making their purchases at the liquor store, they were given the information of where they can be recycling not only the glass bottles but all of the bottles. It is good that the Manitoba Liquor Control Commission took that initiative, because I think that there are many people who are looking for that information and if the information gets into the home you will have a much

greater participation than they have on previous occasions.

There was a recycling depot set up in The Pas which was usually run over the summer months, then the Manitoba Soft Drink Bottlers association have extended it to go up to The Pas on a weekly basis now. So I think even the people in remote areas are becoming more and more cognizant of some of the positive things that are happening in recycling. I think that it is working and I want to give credit to the Manitoba Soft Drink Bottlers association for the work that they had done in that area.

Mr. Speaker, one of the other areas that the Government has come up with some initiative—and I want to give credit to the Minister of Environment (Mr. Cummings), the Member for Ste. Rose, on his paper in dealing with waste reduction. I know that there is legislation before the House presently which deals with this waste reduction. They have come up with a White Paper which is going to go out and the general public is going to be discussing this issue.

I think it is an extremely important area that needs to be discussed because there is a big reduction not only for requiring less space in the landfill sites, but also, as I said on my recycling comments, many of these products can be utilized for either composts in your own yard or many, many different areas that they can be using it. I think it is important that the Government have and give an opportunity for the public to participate in these debates.

I know, Mr. Speaker, the Government has come forward with a lot of rhetoric in the whole area of sustainable development, and I think that is one area that they have been failing in. I know that they were promised a sustainable development centre in Winnipeg and I guess the federal Government has not come through with the funding to this time.

Many people expected that by this stage of the game there would have been a physical building coming up which would have been the centre for sustainable development, but unfortunately they have not received the federal fundings. Maybe they are not using the funds that are available, \$200 million from this fund. Maybe part of those funds could be utilized—or maybe they do not even need a new building—in the Fort Whyte Centre where they are doing a lot of excellent research when it comes to dealing with the environment.

Mr. Speaker, my light is flashing, how much more time do I have? Two minutes?

An Honourable Member: Two more minutes.

Mr. Harapiak: I think that this Fiscal Stabilization Fund is an area that we will be supporting with the Government. I think that there are many good areas where this Government can spend these funds. I have difficulty understanding the Liberal's position when they voted against the budget and yet they talked about how they can spend part of the \$200 million that is included in this.

One of the areas that I had hoped I could spend some time on is talking about the whole area of

agriculture. Agriculture at this time is in a very difficult position and I would hope that the Minister of Agriculture would have some clout within Cabinet, especially with all his rural Members. They should have no difficulty in appropriating some of this \$200 million to the agriculture industry, because we know that agriculture is the backbone of the economy of Manitoba.

If that industry at this time is going through a difficult time because of the drought conditions in Manitoba then I hope that the Minister of Agriculture (Mr. Findlay) can come up with some funds to help these people get through this very difficult period of time. I am sure that with all of the Members he has from rural Manitoba that they will have no difficulty in wrestling some of this \$200 million away to put into this spending because it is raining out there right now and they do require it.

Thank you for the opportunity to say a few words. As I mentioned earlier, we will be supporting this when it comes to a vote.

Ms. Judy Wasylycia-Leis (St. Johns): Mr. Speaker, I would like to put my comments on the record with respect to Bill 27. I am very pleased to follow the Member for The Pas, my colleague (Mr. Harapiak), and follow his very enlightened comments in terms of the Fiscal Stabilization Fund and to reiterate the position of our caucus on this particular Bill.

As Members in this House know the NDP Caucus and Members of the New Democratic Party in this Legislature have said we support certainly some aspects of the 1988 budget document. We have said we support tax breaks for families and we support that aspect of the budget. We are committed to finding benefits for Manitoba families and we want to make minority work in that direction.

We have also said we have many concerns about that document including the lack of long-term planning, including the apparent lack of concern about high unemployment in this province and growing deterioration of our economy. We said we have some very strong concerns about the stabilization fund. We have very strong concerns about how that fund was established. As my colleague, the Member for The Pas (Mr. Harapiak), has said it makes no sense to put together a fund based on underspending because of the political ideological bent of this Government, underspending in key areas, such as Health, Family Services, Education, Agriculture, key areas where there are many, many pressing issues and demands that could have with some direction from the Government of the Day been able to improve their situation, been able to address some very serious concerns, if this Government had had the will to do so.

So we have very grave concerns about how the fund has been put together. We have concerns about how it is intended to be used in the future, we have concerns with many aspects of Bill No. 27. However, we have said we are going to support the fund, because we will have no part of a Government that would be just as happy to take that allocation, that sizeable amount of money and use it to reduce the deficit in a very direct way, to use it to look good on paper in terms of sheer accounting practices.

Friday, November 24, 1989

* (1220)

Our position has been clear from Day One. We are determined to find ways to ensure that this fund be used to address the critical issues of the day, not to be used as a slush fund, a term that has been used in this House over and over again. Members know there is a real danger on the part of Members, on the Government side of this House to want to use this money just prior to an election as a slush fund, to buy votes, to make inroads into communities and into areas where it has to date been very unable to do.

We have said over and over and over again that the problems of the day in many areas of this province are so pressing and so urgent that they require the immediate attention of this Government, and they require the use of that fund, the use of the dollars allocated in the Fiscal Stabilization Fund to be redirected into those areas of pressing concern.

As has been said by all of us, it is raining in Manitoba, it is raining on the workers of Manitoba, it is raining on the families of Manitoba, and this Fiscal Stabilization Fund should be used specifically to deal with those problems, to deal with those concerns, to be redirected immediately to those areas of critical necessity.

Our position has been clear. Unlike the Members to the right of me who truly are on the right of us in this House on this issue, who have been strong in their opposition to tax breaks for families and to the Fiscal Stabilization Fund, they have tried to have it both ways on the Fiscal Stabilization Fund, they have sat on the fence.

Some of them have stood up and said they opposed this fund entirely, should not exist, it should go to deal with the question of debts, it should deal with expenditures, it should deal with the whole accounting picture facing Manitoba. Others in the Party to the right of me have stood up and said let us use this money for day care. The Member for Ellice (Ms. Gray) has said let us put this money into family services, the Member for Kildonan (Mr. Cheema) has said let us use this money for health care, others have said let us put this money into education, all at the same time, two sides of the issue, sitting on the fence, clear inconsistent, incoherent position.

We hope that the Liberals will clarify their position on this matter and it is my hope—

Mr. Speaker: Order, please. The Honourable Member for Transcona.

Mr. Richard Kozak (Transcona): Would my friend, the Honourable Member for St. Johns, submit to a question?

Ms. Wasylycia-Leis: When I am finished my 40 minutes I would be happy to submit to a question, because I intend to use my 40 minutes to elaborate on the New Democratic position to the Fiscal Stabilization Fund and to point out that it is time for Members of this House to stop addressing every issue in terms of accountancy practices, in terms of balancing the ledger, in terms of deficit reduction, in terms of all of those

fiscal issues that Liberals and Conservatives want to do, to the neglect of the real issues of the day.

Reading through the Minister of Finance's speech, it is quite clear, we hear over and over again the importance of this Bill that deals with the stability, responsible fiscal planning, environment, talks about volatility, talks about debt servicing, all of this speech has to do with that end of the equation, and reading through some of the Members of the Liberal Party's speeches, I do not really see a lot of difference, particularly the Member for Transcona (Mr. Kozak). I really cannot figure out what the difference is between a Conservative and a Liberal when I hear a whole speech devoted to things about countercyclical economic theory, loan loss reserves and sinking funds, the speech goes on and on.

In neither of those speeches, the Minister of Finance's (Mr. Manness) speech or the Member for Transcona's (Mr. Kozak) speech and collectively is there is any sense from those two Parties of how we can together address some burning critical issues of the day.

I want to suggest to the Minister of Finance, I want to make a very serious proposal to him about what we can turn the Fiscal Stabilization Fund into.

If the Minister is so intent on talking about addressing volatility, this being a fiscal shock absorber and so on, I want to suggest that he look at the issues of the day where there is real volatility, where there is a real need for a shock absorber, where there is an absolute mandate for addressing the issues of balancing, only when it comes to balancing the issues and problems of people, not necessarily with respect to always focusing on bookkeeping and accounting practices.

I am going to put a proposal to the Minister when I next am able to speak. I am going to make very quickly a proposal right now to the Minister. I will come back in a subsequent Bill to make this point in more clear terms, and that point is the Minister should turn this fund, the Fiscal Stabilization Fund, into a family stabilization fund, because the volatility in our society is when it comes to families, the crisis in our society today is with respect to families and poverty and stresses and pressures that are growing on the family and needs direction, needs resources, needs leadership from this Government and needs some clear statements on the part of Liberal Members.

I think together, if we address these serious issues and come forward with a redesigned fiscal stabilization fund called the Family Stabilization Fund we will have done a great service to the families and people of Manitoba.

Mr. Speaker: The Honourable Member for Transcona, on a point of order.

Mr. Kozak: My understanding was that the Honourable Member for St. Johns (Ms. Wasylycia-Leis) would entertain a question. Is it the position of the Member's Party that good accounting practices are inconsistent with fulfilling the responsibilities of Government in the areas of health care and other matters of social concern?

Friday, November 24, 1989

Ms. Wasylycia-Leis: The Member should full well know that we are on this side of the House always concerned about good accounting practices, and as witnessed by the last budget of the NDP administration, I want to say to the Member that our concern is that we balance the needs of people with that need to always be concerned about good accounting practices.

Let me conclude by saying that we in the New Democratic Party are quite prepared to see this Bill go to a vote today.

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): I move, seconded by the Member for Swan River (Mr. Burrell), that debate be adjourned.

Mr. Speaker: It has been moved by the Honourable Minister of Industry, Trade and Tourism, seconded by the Honourable Member for Swan River, that debate be adjourned. Agreed? (Agreed)

Mr. Speaker: The Honourable Member for Churchill, on a point of order.

Mr. Jay Cowan (Churchill): I just want to make certain that we understand this correctly. The New Democratic Party has indicated they are allowed this Bill to go to a vote today, to see its passage through this House. The Liberals have indicated that they would allow this Bill to go to a vote today to see its passage through this House, and it is the Government that is stopping us from voting on this and holding up the business of the House. I just want to ask the Acting Government House Leader if that is the case.

HOUSE BUSINESS

Mr. Speaker: On House business, the Honourable Acting Government House Leader.

Hon. Clayton Manness (Minister of Finance): I am wondering if we may have a minute to see specifically what the state of affairs are with respect to the House before I respond to the question. I wonder if we might have—

* (1230)

We look very forward to being able to vote on this issue certainly, but we think we would like to serve notice, seeing as it is such an important issue, to each and every Member of this House as to when this Bill,

this very integral part of the budget, should be voted upon. I thank the Members though from the third Party for moving along debate today to give opportunity to Bill No. 27 to be voted.

Mr. Speaker: The Honourable Member for Churchill, on House business.

Mr. Jay Cowan (Churchill): Mr. Speaker, on House business I just want to make certain, because a very interesting precedent is being set here right now as we speak. The Minister of Finance (Mr. Manness), the Acting House Leader for the Government side is indicating that it will now be the practice of the Government to give notice on important votes, votes of this matter, before the votes are brought to this House. We will have the courtesy of them having given us at least several days notice, as they are suggesting it is important to do in this particular instance.

Mr. Speaker: The Honourable Acting Government House Leader, on House business.

Mr. Manness: Mr. Speaker, I am not setting any precedent. I have indicated to Members opposite in the introduction to this Bill that I considered this an integral part of the budget as if it were the budget itself, and subsequently, when it is a budget and a confidence matter, if it were the budget itself, Members would know fully well when the vote would be, and I am saying in a sense that it is similar to that. I think all Members of this House should have at least some hours notice as to when the vote is coming. I am not making precedent at all here.

Mr. Speaker: Order, please. The hour being 12:30, this House—

Order, please. The Honourable Member for Inkster.

Mr. Kevin Lamoureux (Inkster): No order for the last few minutes. As of November 8, the official Opposition has been wanting to see this Bill go into committee, and we have heard time after time that the Government of this day is saying we have been the ones who have been filibustering and filling time. I find it very irresponsible of this Government to hold up its own Bill before it goes into committee. I find it is hypocritical in the sense that this Government is not living up to its responsibilities.

Mr. Speaker: Order, please. The hour being 12:30, this House is now adjourned, stands adjourned until November 27, 1989, at 1:30 p.m. (Monday).