



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

**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

40 Elizabeth II

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

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, July 17, 1991

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### MATTER OF PRIVILEGE

**Mr. Paul Edwards (St. James):** Mr. Speaker, I rise on a matter of privilege.

Mr. Speaker, upon reviewing page 4598 of Hansard from Monday last, two days ago, which I received for the first time this morning, I realized for the first time the full extent of the Premier's (Mr. Filmon) attack on my professional reputation given on Monday. While, as I referenced yesterday, I was aware of and heard the personal insult which the Premier levied against me, I had not heard the full comment at that time and waited until Hansard was printed to see the exact words the Premier had used.

The Premier made comments which included a conclusion drawn by the Premier in these words: "I can understand why he cannot make a living as a lawyer." Mr. Speaker, this comment is far more than simply factually incorrect. It, I believe, qualifies as an intentional attack on the dignity and privilege I, as a member of this House, and indeed all members are afforded under the time-honoured rules of Parliament.

Mr. Speaker, Beauchesne at page 19, Citation No. 62, states that statements, in order to qualify as contemptuous, must "not only be erroneous or incorrect, but, rather, should be purposely untrue and improper and import a ring of deceit."

Mr. Speaker, that the statements of the Premier were patently and purposely untrue and improper, I would submit, is obvious. In order to determine whether or not they also qualify as deceitful, I draw to your attention the dictionary definition of deceitful, found on page 329 of Webster's Ninth Edition, where deceitful is defined as being not honest, deceptive and misleading.

I suggest to you, Mr. Speaker, that the Premier's comments were just that and attacked my professional reputation in, as this Premier has

attacked both myself and others in the past in this House, a sanctionable fashion.

I have no recourse against these comments in a court of law, Mr. Speaker, because as the Premier fully knows, he is protected by the immunity afforded while speaking on the floor of this Chamber. My only recourse is to the House itself, and in this, I draw your attention to Beauchesne's page 12 at No. 28, which indicates that: "Parliament is a court with respect to its own privileges and dignity and the privileges of its Members. The question arises whether the House, in the exercise of its judicial functions with respect to the conduct of any of its Members, should deprive such Member of any of the safeguards and privileges which every man enjoys in any court of the land."

Mr. Speaker, I also remind you at page 22, Citation No. 77 of Beauchesne's that: "Freedom of speech does not mean that Members have an unlimited or unrestrained right to speak on every issue. The rules of the House impose limits on the participation of Members and it is the duty of the Speaker to restrain those who abuse the rules."

\* (1335)

Mr. Speaker, surely comments which are made in a highly public fashion by none other than the Premier himself, intending to besmirch one's professional integrity and made without factual substantiation, must bring with them some consequences.

Mr. Speaker, in conclusion, many members from all parties have come to this House to do public service, accepting a cost to professional development, financial security and family time in the past, in the present and we hope in the future.

We come as lawyers, as farmers, as engineers, as cattlemen, as teachers and doctors from all walks of life to serve our constituents. We come at great cost. We collectively have a right not to suffer, not just insult but slander on the floor of this Chamber. I appeal to you, Sir, to defend that right in this, a most obvious and serious case, I would suggest.

I therefore move, seconded by the member for Inkster (Mr. Lamoureux), that this matter be referred

to the next sitting of the Standing Committee on Elections, Privileges and Procedures for examination and appropriate sanction against the Premier of this province.

**Mr. Steve Ashton (Opposition House Leader):** Yesterday, I rose on a similar matter, and today, Mr. Speaker, I can indicate on behalf of our caucus that we will be taking a consistent position on this matter in our advice to you, Sir, and that is, that while yesterday the issue at hand on the matter of privilege was comments made by the member for St. James (Mr. Edwards), today they are comments by the Premier involving the member for St. James. While the member for St. James' comments were unacceptable, in an equal way the Premier's comments are unacceptable in the context of this matter.

I want to note, Mr. Speaker, that one of the more unfortunate aspects I have found about this Legislature has been one of two things really over the last number of years; first of all is the problems with the quorum. I am not just talking about exchange back and forth in terms of debate. I do believe we have reached the level where many members of the public, I think quite rightfully, are watching the process, and are wondering what is going on.

Even worse than that, Mr. Speaker, is the nature of the comments. As I said, the parliamentary system has a long tradition of free and open exchanges, but one thing that has never been a part of the parliamentary tradition has been the kind of personal comments and attacks that we have seen on an increasing basis in this Legislature.

We have very clearly in our rules, very clearly, the indication that all members are honourable members. That is not just a matter of courtesy. It is vital to the parliamentary process. That is at the root of the very democratic nature of this institution, that we respect other members whether they share our political views as individuals and as representatives of the people whom they represent.

I find the comments made by the Premier (Mr. Filmon) to be totally in contravention of that spirit. They were personal comments involving a member of this Chamber, not in his capacity as a member, but in his professional capacity. They are not the first comments of that type that have been made either by the Premier or other members.

I think at this point in time on this matter of privilege, we have the opportunity to deal not only with this specific incidence, which to my mind does contravene our parliamentary traditions, but the increasing personal nature of comments in this House.

I know there are members who have been in this House longer than I have. I look to the Minister of Natural Resources (Mr. Enns) and the member for Brandon East (Mr. Leonard Evans), because I am told in discussions with them that it was not always this way, Mr. Speaker, that there was a far greater respect between members of different political persuasions, and it was considered absolutely and fundamentally inappropriate for members, in particular, to be engaging in personal comments or attacks on other members.

Mr. Speaker, that has since deteriorated. I have seen in the 10 years that I have been here that it has deteriorated to the point where personal attacks on members in regard to their private capacity, their professions or other activities are increasingly a part of this House.

I say it is particularly important on this matter, Mr. Speaker, to deal with this matter of privilege because this is the Premier of the province. If anyone should be showing leadership in this regard in terms of decorum, it should be the Premier. I say in this particular case, given the serious nature of the comments, which I believe totally contravene our whole tradition in this House and all parliaments of not making those types of personal attacks, I would say that the Premier should stand in his place to deal with this matter now, to show some leadership, to apologize for the comments that were made and to make a commitment on his part and a commitment that hopefully will be respected by other members of this House not to engage in those kinds of personal attacks in the future.

\* (1340)

**Hon. Gary Filmon (Premier):** Mr. Speaker, I rise in my place today to respond to the legitimate comments having been made by the member for St. James (Mr. Edwards) and the member for Thompson (Mr. Ashton).

I might say that the member for Thompson has echoed some of the thoughts that I have expressed to a good degree in recent months about the decorum, about the tendency toward personal insults, demeaning comments being made. I might

say that this session, many members on this side, myself included, might have been up on exactly the same point at issue on numerous occasions, and we have not, because I think perhaps we have developed a thick skin and grown accustomed to it.

About a couple of weeks ago, when I was speaking at the 25th anniversary dinner honouring the Minister of Natural Resources (Mr. Enns), I made comment about the difference in the House, because we had Sid Green and Sam Uskiw, two former members of another party, Douglas Campbell, honouring this minister for his 25 years of service and doing so in a very nonpartisan way and with a sense of camaraderie that I think has been lacking for some time in this House. I did lament the fact that we do not have those kinds of relationships any longer, and we indeed have fallen into a tendency, I think, to become much too partisan, much too sharp and much too acrimonious in our comments in debate in the House.

Mr. Speaker, if I can begin the process of attempting to change that by virtue of what I have to say today, I would willingly and gladly do that by giving a complete and unconditional, large and liberal apology to the member for St. James (Mr. Edwards) for having maligned him personally in my comments the other day.

I know it is not enough to suggest that I am cranky these days, that the session has gone on too long, I think, perhaps for most of us, but it is true. It is true that I am cranky. I know the member for Wellington (Ms. Barrett) would suggest that I am always cranky, but I can assure her that from time to time I am not. I would hope that can be changed.

Mr. Speaker, I do indeed repeat that I give my complete and unconditional apology to the member for St. James for the comments that I made. I withdraw them completely. Indeed, I hope that in speaking this way I can set a tone for the remainder of this session and beyond that will be better than the one that we have had.

**Mr. Speaker:** I would like to thank all honourable members for their suggestions on this matter. Personally, I would like to thank the honourable First Minister for his complete withdrawal of that. I believe that does settle the matter.

### PRESENTING PETITIONS

**Mr. Doug Martindale (Burrows):** Mr. Speaker, I beg to present the petition of Otto Both, D. Lavallee,

Beatrice Kot and others requesting the provincial government to withdraw provincial funding for The Pines project.

\* (1345)

### READING AND RECEIVING PETITIONS

**Mr. Speaker:** To the honourable member for Burrows (Mr. Martindale), I have reviewed the petition of the honourable member. The petition conforms with the privileges and practices of the House and complies with the rules. Is it the will of the House to have the petition read?

**Mr. Clerk (William Remnant):** To the Legislature of the Province of Manitoba

The petition of the undersigned citizens, of the province of Manitoba, humbly sheweth:

THAT the Winnipeg International Airport is vital to the economic health of the city of Winnipeg, and the project known as "The Pines," in its current location, will jeopardize the future of Winnipeg International Airport.

THAT to risk the jobs of the hundreds of people who are employed at the airport is not in the best interests of the community.

THAT "The Pines" project will inhibit riverbank access to the general public.

THAT the strip mall portion of "The Pines" project will give a foothold to commercial development which is incompatible with the residential nature of the neighbourhood.

WHEREFORE your petitioners humbly pray that the Legislature of the Province of Manitoba may be pleased to respect the wishes of the neighbourhood by requesting the provincial government to withdraw provincial funding of "The Pines" project.

AND as in duty bound your petitioners will ever pray.

\* \* \*

**Mr. Speaker:** I have reviewed the petition of the honourable member for Transcona (Mr. Reid), and it complies with the rules and the privileges and practices of the House. Is it the will of the House to have the petition read?

**Mr. Clerk:** To the Legislature of the Province of Manitoba

The petition of the undersigned citizens, of the province of Manitoba, humbly sheweth:

THAT the Winnipeg International Airport is vital to the economic health of the city of Winnipeg, and the project known as "The Pines," in its current location, will jeopardize the future of Winnipeg International Airport.

THAT to risk the jobs of the hundreds of people who are employed at the airport is not in the best interests of the community.

THAT "The Pines" project will inhibit riverbank access to the general public.

THAT the strip mall portion of "The Pines" project will give a foothold to commercial development which is incompatible with the residential nature of the neighbourhood.

WHEREFORE your petitioners humbly pray that the Legislature of the Province of Manitoba may be pleased to respect the wishes of the neighbourhood by requesting the provincial government to withdraw provincial funding of "The Pines" project.

AND as in duty bound your petitioners will ever pray.

\* \* \*

**Mr. Speaker:** I have reviewed the petition of the honourable member for Point Douglas (Mr. Hickes), and it conforms with the privileges and practices of the House and complies with the rules. Is it the will of the House to have the petition read?

**Mr. Clerk:** To the Legislature of the Province of Manitoba

The petition of the undersigned citizens, of the province of Manitoba, humbly sheweth:

THAT the Winnipeg International Airport is vital to the economic health of the city of Winnipeg, and the project known as "The Pines," in its current location, will jeopardize the future of Winnipeg International Airport.

THAT to risk the jobs of the hundreds of people who are employed at the airport is not in the best interests of the community.

THAT "The Pines" project will inhibit riverbank access to the general public.

THAT the strip mall portion of "The Pines" project will give a foothold to commercial development which is incompatible with the residential nature of the neighbourhood.

WHEREFORE your petitioners humbly pray that the Legislature of the Province of Manitoba may be

pleased to respect the wishes of the neighbourhood by requesting the provincial government to withdraw provincial funding of "The Pines" project.

AND as in duty bound your petitioners will ever pray.

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Mr. Jack Reimer (Chairman of the Standing Committee on Agriculture):** Mr. Speaker, I beg to present the First Report on the Committee on Agriculture.

**Mr. Clerk (William Remnant):** Your Standing Committee on Agriculture presents the following as its First Report:

Your committee met on Tuesday, July 16, 1991, at 10 a.m. in Room 254 of the Legislative Building to consider bills referred. At that meeting, your committee elected Mr. Reimer as Chairperson.

Your committee heard representation on bills as follows:

Bill 20—The Animal Husbandry Amendment Act; Loi modifiant la Loi sur l'élevage

Mr. Randy Eros - Manitoba Sheep Association  
Reeve Ed Peltz - Union of Manitoba Municipalities

Mr. James Bezan - Manitoba Cattle Producers Association

Your committee has considered:

Bill 20—The Animal Husbandry Amendment Act; Loi modifiant la Loi sur l'élevage

and has agreed to report the same with the following amendment:

#### MOTION:

THAT section 6 of the Bill be struck out and the following substituted:

Sections 35 to 38 repealed and substituted.

6 Sections 35 to 38 are repealed and the following is substituted:

#### Investigation and report of valuer

**35(1)** At the request of an owner whose animals or poultry are killed or injured by a dog, or at the request of an insurer of the owner, the minister may appoint a valuer who shall

- a) within 48 hours of being appointed, investigate the matter; and
- b) within a further 10 days

(i) report to the minister respecting the amount and extent of the owner's loss, and

(ii) provide a copy of the report to the owner and to the insurer.

#### **Notice to minister of loss**

**35(2)** A request cannot be made under subsection (1) unless the owner notifies the minister of the loss within 24 hours after the owner discovers the animals or poultry that have been killed or injured.

Your committee has also considered:

Bill 53—The Natural Products Marketing Amendment Act; Loi modifiant la Loi sur al commercialisation des produits naturels

and has agreed to report the same with the following amendment:

#### **MOTION:**

THAT subclause 29(o)(ii), as set in section 2 of the Bill, be amended by striking out "production in quality" and substituting "production, quality".

All of which is respectfully submitted.

**Mr. Reimer:** Mr. Speaker, I move, seconded by the honourable member for Fort Garry (Mrs. Vodrey), that the report of the committee be received.

**Motion agreed to.**

### **ORAL QUESTION PERIOD**

#### **Immigration Consultants Michael Bessey Involvement**

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, yesterday we raised a number of questions pertaining to documents that the RCMP had filed dealing with matters related to alleged immigration scandals and people who were related to questions that we had raised in Question Period on previous occasions.

We raised the question of one of the most senior cabinet appointments in government, Mr. Bessey, a cabinet appointment after the government took office in 1988—a person who worked with the Conservatives prior to that—in terms of the meetings that he was holding with people who are under investigation for allegations dealing with immigration scandal. Clearly, the RCMP had reasonable and probable grounds to include in their documents meetings that Mr. Bessey attended, and the Premier has since stated that he was on the business of the Province of Manitoba.

My question to the Premier: Given that Mr. Bessey reports directly to the Premier as head of Treasury Board—Mr. Bessey is the secretary to that Treasury Board—was Mr. Bessey attending those meetings as articulated yesterday in Question Period on the authority and direction of the Premier himself?

\* (1350)

**Hon. Gary Filmon (Premier):** Mr. Speaker, I will quote from Mr. Bessey's own response to that matter as he is quoted in the Winnipeg Sun of today.

"Bessey said he has no involvement with the province's approval of the immigrant investor program which allows potential immigrants to buy Canadian companies or shares in approved development funds.

"When they needed someone political to give the economic rah rah about why they should invest here—why we're holding taxes down, that sort of thing—they talked to me."

Mr. Speaker, he was not there under my direction. He was there representing the province's interests to attempt to -(interjection)- He was asked to attend presumably by these people who were bringing investors to Manitoba and giving them as much information as he can about why it is a good place in which to invest.

He attended, as the documents indicate, two of 62 contacts between the individuals who were raised in the RCMP depositions, and I also say that the RCMP say, in their response, that Treasury Board Secretary Mike Bessey is not a target in the investigation, despite his name appearing on a search warrant for Beirnes' downtown apartment. I leave that with the member as a full and complete explanation of the matter.

**Mr. Doer:** Mr. Speaker, I do not think any of us can miss the irony of the Premier now quoting the Winnipeg Sun after all the allegations the Premier made in this House. I think the Premier owes a number of journalists a very big apology.

Mr. Speaker, I have a further question to the Premier. Citizenship in this province, in this country, is one of the most fundamental rights we have. We have always been opposed to citizenships for Canada for sale in our country. At the heart of this issue is also the problem and issue of friends in high places, friends in high places to the Premier, people who were involved in investment companies and investment consultants that all

worked on the Premier's own leadership. I first of all find it strange that the Premier has not answered to the ministerial responsibility, and Mr. Bessey reports directly to him, but yet he attends these meetings allegedly as a free agent.

I would ask the Premier: Is it government policy to have the most senior government official that reports directly to the Premier acting as a free agent and meeting with a company called the Asian Manitoba Investment firm listed in the documents, which the RCMP allege is a company that is to facilitate the immigrations of persons into Canada who would not normally be allowed into Canada contrary to Section 465 1(a) of the Criminal Code? Is that the policy of the Premier in dealing with this senior most official in the Treasury Board of cabinet?

\* (1355)

**Mr. Filmon:** Mr. Speaker, I am sure that it is the case that there are many, many civil servants who attend meetings as part of their responsibilities in their office without asking the permission of the minister to do so.

I would think that, for instance, in the Department of Industry, Trade and Tourism all of the various tourism officials meet with people in the tourist industry time and time again. They might have lunch with them. They might have dinner with them. They might attend at meetings with them without phoning or writing to the minister to ask whether or not they can attend a meeting of somebody who is in the tourist industry. That is part of their responsibility.

In this particular case, Mr. Bessey has been involved, as I know members opposite are well aware, with meetings to take a look at investments and putting together things such as the Repap deal. Manitoba Data Services is currently involved in various ways in matters such as the Abitibi-Price takeover and all of those things where his expertise and his knowledge of the economic conditions and circumstances in this province are being sought as commentary on the matter.

Mr. Speaker, with respect to any matter that has to do with illegal immigration matters, that is what the RCMP investigation is there for. I think now the member opposite ought to issue an acknowledgement, at least, that this RCMP investigation is working. It is the basis from which he is getting these questions these days. It is the basis of information, hard information, information

that will lead perhaps, has already led, to a number of matters that may come under charges. That is the way in which this should be done.

We are absolutely committed to ensure that all information possible is shared with the RCMP so that their investigation can be as complete and thorough as possible.

### Independent Inquiry

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, it is interesting. The Premier is aware of Mr. Bessey meeting with the principals of Abitibi-Price, but yet the Premier pretends to have no awareness of three people at a meeting, all of whom were involved in the Premier's leadership—Mr. Paqueo, Mr. Gajadharsingh and Mr. Warraich who are meeting with a fired civil servant involved in the same immigration scandal. He is not aware of that situation, as chair of the Treasury Board of the Province of Manitoba.

I would ask the Premier: We have always been satisfied, and we have said so in this House on numerous occasions, that the RCMP would be investigating the criminal matters and criminal allegations.

We have always asked the questions: Who is investigating the issues of senior people in the government, senior people who worked on the Premier's leadership and their influence in immigration and immigration policy in the Province of Manitoba? Who is investigating the friends in high places to the Premier and the influence in this immigration—

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

**Hon. Gary Filmon (Premier):** Clearly, the RCMP, because influence peddling is an offence, and anything to do with immigration matters that is illegal is an offence under the Immigration Act.

Clearly, if there is any information that the member has that has not been investigated, he ought to bring it forward, but if he is suggesting that Mr. Bessey was involved in any breach of the Immigration Act or in influence peddling, he had better tell that to the RCMP, because, according to Sergeant Stinson who is in charge of the investigation, Bessey is not a target of the investigation.

If he has information, an allegation to put forward, let him do so, but, Mr. Speaker, I suggest to him that he is doing the very thing that his House Leader (Mr.



Ashton) and the member for St. James (Mr. Edwards) talked about, only now we are doing it in terms of people who cannot be here to defend themselves.

I can take the allegations, you know, the untrue statements made by members opposite, but if he has an allegation to make against this individual, make it. Do not just suggest by some association that this person is guilty of something or is involved with something that is illegal, Mr. Speaker.

### **Civil Service Appointments Investigation Status**

**Mr. Gary Doer (Leader of the Opposition):** My question is very simple. Who was dealing with and investigating the political implications and the political influence that flows from the Premier's Office?

Mr. Speaker, on a number of occasions in this Chamber, the Premier has stated that in dealing with the Civil Service issues related to the investigation, that the Civil Service Commission is investigating those matters.

Mr. Speaker, I, on the urging of the minister responsible for the Civil Service Commission, phoned the Civil Service Commissioner this morning. He informed me that there is only one investigation going on now in the public service, and that is the investigation initiated by Roxy Freedman; that there is, indeed, no investigation going on in terms of Mr. Warraich, as the Premier has stated on previous occasions in the House, in Hansard, and no investigations dealing with staff of the Premier's Office. In fact, these people have been hired under Section 32 by cabinet and cannot normally be investigated by the Civil Service Commission.

I would ask the Premier: Will he, as the employing authority under Section 32 of The Civil Service Act, be initiating any investigations as we were led to believe in previous questions we have raised in this House?

\* (1400)

**Hon. Gary Filmon (Premier):** Mr. Speaker, there are a number of matters here.

Investigations have to have an allegation that they are investigating. Who are these individuals whom the Leader of the Opposition wants investigated?

With respect to Mr. Warraich, the allegation that has been made is that his hiring and the hiring of

members of his family have been done by virtue of the influence of Mr. Gajadharsingh. That matter was referred to the Civil Service Commission as part of their review, and they are reviewing that to see whether or not the hirings of those six people who were named in the Winnipeg Sun and by members opposite as being done under political influence or influence of Mr. Gajadharsingh, whether or not, indeed, that was the case.

That has been reviewed and there has been an interview done, as I understand it, to attempt to establish whether there is any veracity to that allegation.

### **Immigration Consultants Independent Inquiry**

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, we have asked questions about the hiring of Mr. Warraich pursuant to the Premier's influence and his involvement with the Premier's leadership, not with Mr. Gajadharsingh.

We have asked questions about Mr. Bessey yesterday. We have asked questions about the whole issue of immigration consultants, people who worked on the Premier's leadership and their political influence in our Manitoba communities.

There is no one investigating those issues. There is the RCMP investigating the narrow criminal issues as they are competent and credible to do so. There is the Civil Service Commission investigating the narrow issue only of Mr. Gajadharsingh and the referral by the deputy minister that we asked for in Question Period six or seven weeks ago. There is no one investigating the broader political issues that we have been raising in the House.

I would ask today, Mr. Speaker, again: In light of all these issues that have been raised publicly, will the Premier please agree to an independent inquiry into these allegations, so the public will know that there has been no political influence from the Premier's Office with immigration consultants in dealing with the citizens of Manitoba and potentially new citizens and immigrants to this province?

**Hon. Gary Filmon (Premier):** Mr. Speaker, all of those matters, with respect to immigration consultants, are part of the RCMP investigation. It is illegal for anyone to breach the Immigration Act. It is illegal for them to be influence peddlers, and they come under the net of that investigation.

With respect to the influence on hiring, we have already indicated that the Civil Service Commission has looked into the allegation as to whether or not Mr. Gajadharsingh was the person behind influencing the hiring of those six individuals that the Sun story linked together. We brought forth the information which said the dates on which four of those six individuals were hired were prior to our taking office. The fifth was hired under a competition and that was stated, and the sixth, the one individual whom I have acknowledged from Day One, was hired on the basis of a combination of affirmative action and an agreement to take a decentralized position.

Mr. Speaker, that is all on the record, so if they want to accuse us of influence in that, under the circumstances in which it was acknowledged, by virtue of the circumstances in which that hiring was made, affirmative action and agreement to take a decentralized position—that was one of the six. Now, what further allegation does the member want us to have investigated?

**Mr. Speaker:** Order, please. I can see where this is all leading, and I would caution the honourable member to exercise great care in making statements about persons who are outside the House and who are unable to reply.

**Mr. Doer:** Again, Mr. Speaker, that is why we need an external, independent investigation, because the issues that are being raised in the media and in the public deal with three fundamental issues.

One, they deal with the criminal allegations that are part of the RCMP investigation; two, they deal with the conflict-of-interest guidelines that we have raised in this House and that are investigated narrowly for one individual in the Civil Service Commission; and three, it is all the allegations that have been raised and all the points that have been raised about the immigration policy of the provincial government, that it is tied to firms that are dealing with immigration that are tied to consultants who are tied to people who are tied to the Premier's Office.

We ask, what is the government covering up? Why will it not have an independent inquiry so we can put these questions to rest, and we can have the public know that we have a complete system of integrity dealing with immigration in this province?

**Mr. Speaker:** Order, please. Prior to recognizing the honourable First Minister, the honourable member for Sturgeon Creek (Mr. McAlpine) and the

honourable member for The Maples (Mr. Cheema), if you want to carry on that discussion, you can do so outside the Chamber.

**Mr. Filmon:** Mr. Speaker, we have just been asked for a higher standard of behaviour in this Chamber, and now we have seen what the members opposite are doing in this particular Chamber, taking and moving from documented allegations, which are being investigated by the relevant authorities, to political innuendo and saying somehow—

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

### Point of Order

**Mr. Doer:** On a point of order, Mr. Speaker, the Ted Hughes Inquiry is not political innuendo. It is an independent public inquiry. That is what we are calling for with this Premier, not political innuendo.

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

\* \* \*

**Mr. Filmon:** Mr. Speaker, that is exactly why this Attorney General (Mr. McCrae) called that inquiry, because there was documented evidence on the record by virtue of the Reynolds report that talked about breach of normal practices in the justice system—documented evidence.

We have nothing but political innuendo from the Leader of the Opposition in this particular case. Have an allegation brought forward, and we will have the relevant authority investigate it, but so far, there is no allegation that has been brought forward that has not already been looked at by the RCMP, that has not already been reviewed by the RCMP and the Civil Service Commission.

We ask, instead of going on day after day after day with all this innuendo, put forward something substantive that we can get on with, because we would like to be able to do anything possible to assure the members opposite on the matter.

### Michael Bessey Staff Affiliation

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, to put the minds of the opposition at rest, all the Premier has to do in this province is to call an independent inquiry, but instead, he has taken the attitude of the four d's. He ducks, he dodges, he denies and he deflects.

Mr. Speaker, I would like to ask him a very particular question. My question is to the Premier as chairperson of the Treasury Board. Yesterday, as chairperson of the Treasury Board, he indicated that Mr. Bessey was not part of his staff when, in fact, Mr. Bessey is secretary to the Treasury Board. Why did the First Minister dodge the truth yesterday when questioned by reporters about the connections between himself and the secretary of the Treasury Board?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I said very clearly to the media in scrum, in an open discussion, that the question that was placed to me by the member for Inkster (Mr. Lamoureux) asked whether any member of my staff was involved with these meetings. We identified at that time that my principal secretary, Greg Lyle, was.

If the members opposite are saying that every single member of Treasury Board is also my personal staff, that is not what we think about in government. We think about Executive Council as being the Premier's staff, so it never occurred to me to ask every member of Treasury Board whether or not they were involved with it. I think that this is a -(interjection)-

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

**Mr. Filmon:** I guess that there is a difficulty in the sense that I am the only Premier in the country who does chair Treasury Board. I do not look upon them as being my direct personal staff as I do Executive Council, and I think that is a very natural circumstance.

If the member feels that she has been slighted or her privileges have in some way been breached, I apologize to her for it. The next time I will try and be more thorough in my analysis of the situation.

Again, I go back to the fact that even despite the fact that Mr. Bessey was involved in two of the 62 contacts, I repeat for her comfort, RCMP Sergeant Jim Stinson said Treasury Board Secretary Mike Bessey is not a target in the investigation, despite his name appearing on a search warrant for Beimes' downtown apartment. If she has anything more that she wants to bring to the table on this issue, I would be glad to try and address it.

\* (1410)

### **Seech Gajadharsingh Government Capacity**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, the secretary of the Treasury Board attended at least two meetings with Mr. Paqueo, Mr. Gajadharsingh and Mr. Beimes, and I accept the Premier's position as to why he was at this meeting.

Can the First Minister tell the House today whether Mr. Gajadharsingh was attending these meetings in his capacity as an employee of the Department of Family Services?

**Hon. Gary Filmon (Premier):** I could not tell you that because I -(interjection)- Mr. Speaker, there are 18,000 employees in the Manitoba public service—

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

**Mr. Speaker:** Order, please. The honourable First Minister, to finish his response.

**Mr. Filmon:** I could not tell the member what capacity he was attending the meeting in, and I am sure that question, if she wants it put, can be put as part of the Civil Service investigation into Mr. Gajadharsingh, as to why he was involved in those meetings.

### **Conflict of Interest**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** There is a very serious conflict-of-interest question involved in this. If Mr. Gajadharsingh was at this meeting as a civil servant, then it would appear to us that Mr. Bessey should have reported to the Premier that a member of the Civil Service was attending a meeting outside his area of responsibility and that a potential conflict of interest existed.

Can the Premier tell the House today if Mr. Bessey reported the meeting to the Premier, and if he, at that point, said to the Premier that he had concerns about a potential conflict of interest on the part of Mr. Gajadharsingh?

**Hon. Gary Filmon (Premier):** Mr. Speaker, to my knowledge, he did not.

### **Social Assistance Employment/Training Programs**

**Mr. Leonard Evans (Brandon East):** I have a question for the Minister of Family Services.

The number of municipal welfare recipients in Winnipeg has climbed by 33 percent in June of this

year over June of last year, likely an all-time high, Mr. Speaker. This dramatic increase obviously reflects a sharp rise in unemployment in Manitoba and the city of Winnipeg in particular. In view of the seriousness of the situation, the director of social services in Winnipeg has called for the implementation of a job creation and training program involving the three levels of government.

Would the Minister of Family Services be willing to examine this proposal of the director with the view to establishing an emergency employment and training program and reduce the number of people on welfare?

**Hon. Harold Gillieshammer (Minister of Family Services):** I would point out to the member that we increased the budget for the social allowances considerably in the past budget, and the provincial social allowance roles have also risen about 4 percent. We have budgeted for that amount, and we do have programs in place for job access, the Gateway Program and others.

I can tell the member, recently at the graduation of South Winnipeg Technical school there were a number of graduates of this program who have moved into the work force. We have about a 70 percent success rate from the intake in those programs and the further training that they are able to get and their ability to access jobs.

As well, we have in place—and I know the member is familiar with the programs, with the human resource opportunity centres around the province. We have talked about the one in Brandon and others before. These are continuing and are providing some training and some education for a number of recipients, and we are able to move them into the work force from time to time as their training is completed.

I am aware of the concerns raised by the officials of the City of Winnipeg and the city councillors. We would be pleased to continue any dialogues we already have with the staff from the city to address those problems.

**Mr. Leonard Evans:** Mr. Speaker, I appreciate the fact that there are certain ongoing programs dealing with chronic cases of social allowances in the province. The fact is we have thousands more on municipal welfare which the province pays about 80 percent or 85 percent of today compared with last year. A third of these are under 25 years of age.

I would ask the minister: Would he undertake to meet, himself personally, with representatives of the City Council and any staff required to explore the possibility to see if something could be done to alleviate unemployment in Winnipeg, Brandon, other centres, and therefore reduce the number on municipal welfare?

**Mr. Gillieshammer:** Mr. Speaker, we do meet from time to time with councillors and mayors from various municipal corporations. Recently I attended the MAUM meeting in Portage la Prairie where mayors and councillors from across the province raised a number of issues. There were other MLAs there to participate in that discussion. As well, we have a working relationship with the UMM to discuss issues that are brought before the municipal corporations from time to time. I can assure you this is an issue that is often on the agenda.

Further to the member's question, there are officials from my department who meet with officials from the City of Winnipeg social allowance department who are exchanging information and working on job creation programs. I am sure I would certainly encourage them to continue looking at long-term solutions so the individuals who have to access social allowances will have the opportunity to find employment.

If the member is asking for short-term, make-work projects, that is not a direction that our government would choose to go. I think we have seen the debt that was created by some of those short-term programs in the past, and they were not successful. The cost of those are still being borne by government today.

**Mr. Leonard Evans:** Mr. Speaker, I would remind the minister that one of the so-called make-work programs, as he refers to, is CareerStart which the government is funding. I would reject the term "make-work" because all of those jobs, all of those training and employment programs did provide useful work involving the private sector essentially.

I would ask the minister: In view of the fact that the director of social services in Winnipeg and indeed some of the city councillors had described this as an emergency situation, an all-time high number of people on welfare, would the minister not undertake, at least commit to sit down to have at least a meeting with the elected representatives of the City of Winnipeg, and indeed other

municipalities, if necessary, to see if something can be done because this is an emergency situation?

**Mr. Gilleshammer:** Mr. Speaker, I am pleased that we are able to continue with the CareerStart Program. That is not the program I was referring to, and I think the member is aware of that. The CareerStart Program provides employment opportunities basically for university and high school students, and that program is continuing on this year. The make-work programs that we talked about were ones that were funded by the previous government where a good deal of money was spent and a good deal of debt created, and no long-term jobs were the result of that.

I have indicated that officials from my department would meet with officials from the city on the social allowances. If the political leaders from the city wish to meet at that level, I am sure that they would see fit to make a request. I am impressed that the member is concerned and aware of some of the comments reported in the paper. If city politicians want to meet on that, we will be happy to do so.

### **Port of Churchill Grain Export Commitment**

**Mr. Daryl Reid (Transcona):** Mr. Speaker, recent reports released by the Prairie Pools have indicated a position that would see the grain dependent status removed from the bayline route to Churchill.

Considering that Thunder Bay has already received this shipping season some 6.2 million metric tonnes of grain for export and the well-documented fact that it costs more for farmers to ship their grain via the seaway, I ask the Minister of Highways and Transportation what communications this minister has had in the past week with the federal minister responsible for the Wheat Board to secure grain export commitments for the Port of Churchill. I ask him what success he can tell us in the House here today.

\* (1420)

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, I would like to indicate to the members of the Legislature here that we continue to press very hard on the federal minister, as well as the Wheat Board, as well as the minister responsible for the Wheat Board, for a commitment to have grain moved through the Port of Churchill.

Mr. Speaker, I want to indicate that on July 10 I sent a three-page letter to the federal minister, and it is the strongest letter that I have ever put my signature to in terms of expressing the concerns and views of this government and people in Manitoba in terms of what is not happening at the Port of Churchill.

### **Rail Line Protection**

**Mr. Daryl Reid (Transcona):** Mr. Speaker, I would be interested in seeing that letter. I ask the minister to table a copy of that for our information.

Considering that the WGTA and their negative position on the Manitoba port and the position of the Prairie Pools towards the status of the rail line to Churchill, I ask this minister what communication he has had with his federal counterparts to have Manitoba's north rail line declared in the national interest?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, that position was put forward by myself over two years ago for the federal government already.

Mr. Speaker, I have a copy of the letter. I am prepared to table the letter that I sent to the federal minister. In this letter also, I had indicated to the federal minister the fact that there had been excessively good sales made to Russia. The fact that the Canada government is financing part of that sale to some degree, I feel in my opinion and this government's opinion that Canada and the Wheat Board should have some authority in terms of where they pick up the grain from, because we are doing part of the financing. I have registered that concern with the federal minister as well.

**Mr. Reid:** Mr. Speaker, I am sure the residents of Churchill and the port personnel themselves would be interested in having this declared in the national interest, this particular rail line, and that they are also awaiting an announcement by the federal government that grain will be exported through this port.

### **All-Party Committee**

**Mr. Daryl Reid (Transcona):** My question is for the same minister, Mr. Speaker.

Considering the Minister of Highways and Transportation has indicated a willingness to discuss ways to bring pressure to bear on the federal minister for the Wheat Board, including having an all-party committee go to Ottawa, I ask

this minister now to give a committed date for striking an all-party delegation to travel to Ottawa in an effort to have grain shipped through Churchill now.

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, I think the member is erroneous when he indicates that I made a commitment to have an all-party committee go to Ottawa. I indicated that I am prepared to work with members of this House to try and continue to put pressure on the federal minister, as well as the Wheat Board. We are continuing to do that.

Mr. Speaker, indications are—and I am still hopeful that we will be able to have an announcement. Time is running at the Port of Churchill. We know the limited time that we have for grain to move through Churchill. Without having that firm commitment from the Wheat Board, indications are that there should be some kind of an announcement coming soon.

#### **Immigration Consultants Michael Bessey Involvement**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, the government directory clearly indicates that the staff of Treasury Board has the Premier (Mr. Filmon) as the chair, Mr. Bessey as the secretary and one other staffperson.

When we asked the Deputy Premier on May 28 about meetings between staff of the Premier and Mr. Paqueo and Mr. Gajadharsingh, we were told in essence that staff of the Premier could do anything they wanted to do in their spare time. We have subsequently learned, of course, that these meetings were on government time and on government business.

Can the Deputy Premier tell us when he first learned that Mr. Bessey had been in attendance at this meeting? Why did he not correct the record in this House?

**Hon. James Downey (Deputy Premier):** Mr. Speaker, I will take under advisement the question and review it more thoroughly. Some of the accusations made by the Leader of the Liberal Party have been far from accurate many times.

#### **Maple Leaf Fund Michael Bessey Involvement**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, can the Premier tell the

House today if Mr. Bessey, in his capacity as secretary of the Treasury Board, ever had meetings with the Canada Maple Leaf Fund and particularly with respect to the MHRC lease?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I will take that question as notice and bring the information back to the House.

#### **Immigration Consultants Independent Inquiry**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, unfortunately this immigration scandal is hurting very vulnerable people. It is hurting people even, indeed, in the Premier's own staff, which is the reason we have been calling consistently for an independent inquiry. I have had a number of calls from members of the visible minority community who feel that they are particularly under attack at the present time, particularly the Filipino community, the Sikh community and the Hindu community.

Will the Premier today, just for those particular people, not do the right thing and call an independent inquiry so that communities can be freed from this spectre which seems to be haunting them?

**Hon. Gary Filmon (Premier):** Mr. Speaker, the right thing is to have a complete and thorough investigation done by the relevant authorities. That includes the RCMP to do the complete investigation of any and all allegations of criminal wrongdoing, including any matters under the Immigration Act or any matters that involve allegations of influence peddling. Those matters are the ones that ought to be investigated by that.

The right thing is to have the Civil Service Commission review all of the allegations of improper procedures in hiring, influence in hiring, whatever. That is being done by the Civil Service Commission under the allegations made against Mr. Gajadharsingh and also as they involve the Warraich families and those allegations.

Mr. Speaker, what is hurting, of course, are the kinds of political innuendo that are being put to this House day after day after day, innuendo without substantiation, with no allegation of wrongdoing on either of those matters, just simply innuendo. That is what is hurting the visible minority community.

They, too, are talking to me about it, and they feel very sick about the kind of political football that the

Leader of the Liberal Party (Mr. Carstairs) and the Leader of the Opposition (Mr. Doer) are trying to create for their own personal political gains. They feel terrible about it, and they have said time and time again, why are they doing it? Why are they doing it, they are asking, because they know that the RCMP will do all of the matters that come under legal authority and that the Civil Service Commission has total power to review the hiring practices—

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

### **Anti-Racism Programs Government Initiatives**

**Ms. Marianne Cerilli (Radlsson):** Mr. Speaker, there is an escalation of racist incidents and attack on immigration and multiculturalism in Manitoba and across the country that is shocking to many people.

The way that this government is handling the situations is not helping any. We have had the Spicer commission. We have had the Reform Party stand on multiculturalism. We have had cuts to immigration and settlement services such as ESL at a time when the federal government is promising to open the doors. Adding all of these things together during a recession is bound to cause problems. We need a government that can respond and that can lead and propose an alternative to the negative events.

My question is for the Minister responsible for Multiculturalism. Why has this government not issued any kind of a statement about the advantages and benefits of immigration? Why have they continued their policy of inaction and not put forward any alternative message of tolerance, acceptance and understanding for the people of Manitoba?

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship):** Mr. Speaker, all of the preamble from the NDP multicultural critic was criticism of the federal government.

I am glad that she realizes and recognizes that this government has increased funding to ESL training for adults in the province of Manitoba. I am glad that she recognizes that we have a multicultural policy, the first ever policy in Manitoba. We have as a result of that established a Multicultural Secretariat that is working very closely with the community.

I hope she does realize and recognize, too, that the Manitoba Intercultural Council and the

government have an ongoing good working relationship that is going to benefit the whole community. I hope she realizes and recognizes, too, that we have in consultation and co-operation with the Manitoba Federation of Labour developed eight antiracism modules that will be used throughout the community. We have done much, and we will continue to work on behalf of the multicultural community here in the province of Manitoba.

**Ms. Cerilli:** Mr. Speaker, one staffperson in the entire Civil Service dealing with racism is not enough.

### **Meeting Request**

**Ms. Marianne Cerilli (Radlsson):** I have a second question to the same minister.

There is an increasing number of people who feel that the government's response has been inadequate, and these people are forming a coalition. Will the minister and the Premier (Mr. Filmon) meet with these concerned people, listen to their suggestions and their concerns in dealing with racism?

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship):** Mr. Speaker, I am quite willing at any time to meet with any member of the community who wants to better the relationships between all Manitobans. I have no hesitation in meeting with anyone. I have in the past and will continue to do so.

**Mr. Speaker:** The time for Oral Questions has expired.

### **ORDERS OF THE DAY**

**Hon. Darren Praznik (Deputy Government House Leader):** Mr. Speaker, I would ask if you could call for Report Stage Bills 40, 41, 42, 46, 48, 49, 57, 58. I would ask if you could then call for Second Readings in this order: Bills 65, 59, 35, 68.

I would also like to announce committees for 7 p.m. this evening, Law Amendments Committee to hear Bill 50, Bill 4, Bill 51, Bill 69 and, I believe, Bill 73, as well the Standing Committee on Municipal Affairs to hear Bill 35.

I would also like to announce for tomorrow at 10 a.m. the following committees. The Standing Committee on Municipal Affairs to continue to hear Bill 35 as well as Bill 68; the Standing Committee on Industrial Relations to hear Bill 59; and the

Committee on Privileges and Elections to receive the report on judges' salaries.

I would also ask, Mr. Speaker, if you could canvass the House to see if there is leave to waive private members' hour today.

**Mr. Speaker:** Is it the will of the House to waive private members' hour? Yes? It is agreed? Agreed.

\* (1430)

### Committee Changes

**Mr. Edward Helwer (Gimli):** Mr. Speaker, I move, seconded by the member for St. Vital (Mrs. Render), that the composition on the Standing Committee on Law Amendments be amended as follows: Fort Garry (Mrs. Vodrey) for Assiniboia (Mrs. McIntosh). This was for Tuesday, July 16, 7 p.m.

I move, seconded by the member for Fort Garry (Mrs. Vodrey), that the composition of the Standing Committee on Law Amendments be amended as follows: River East (Mrs. Mitchelson) for Steinbach (Mr. Driedger); Sturgeon Creek (Mr. McAlpine) for Fort Garry (Mrs. Vodrey); Pembina (Mr. Orchard) for Rossmore (Mr. Neufeld).

I move, seconded by the member for St. Vital (Mrs. Render), that the composition of the Standing Committee on Municipal Affairs be amended as follows: Charleswood (Mr. Ernst) for Arthur-Virden (Mr. Downey); Roblin-Russell (Mr. Derkach) for Gimli (Mr. Helwer); Fort Garry (Mrs. Vodrey) for Emerson (Mr. Penner); Lakeside (Mr. Enns) for La Verendrye (Mr. Sveinson).

I move, seconded by the member for Fort Garry (Mrs. Vodrey), that the composition of the Standing Committee on Privileges and Elections be amended as follows: Gimli (Mr. Helwer) for Morris (Mr. Manness); St. Norbert (Mr. Laurendeau) for Portage la Prairie (Mr. Connery).

I move, seconded by the member for St. Vital (Mrs. Render), that the composition of the Standing Committee on Municipal Affairs—this is for Wednesday, July 18, 10 a.m. sitting—be amended as follows: Emerson (Mr. Penner) for Seine River (Mrs. Dacquay).

**Mr. Speaker:** Agreed? Agreed.

**Mr. George Hickes (Point Douglas):** I move, by leave, in the Committee on Law Amendments at 7:30, July 16, 1991: Transcona (Mr. Reid) for Wolseley (Ms. Friesen).

I move, seconded by the member for Wellington (Ms. Barrett), that the composition of the Standing Committee on Law Amendments be amended as follows: St. Johns (Ms. Wasylcia-Leis) for Transcona (Mr. Reid); Concordia (Mr. Doer) for Flin Flon (Mr. Storie) for Wednesday, July 17, 1991, for 7 p.m.

I move, seconded by the member for Wellington (Ms. Barrett), that the composition of the Standing Committee on Municipal Affairs be amended as follows: Selkirk (Mr. Dewar) for Swan River (Ms. Wowchuk) for Wednesday, July 17, 1991, for 7 p.m.

I move, seconded by the member for Wellington (Ms. Barrett), that the composition of the Standing Committee on Privileges and Elections be amended as follows: Kildonan (Mr. Chomiak) for Wolseley (Ms. Friesen); Thompson (Mr. Ashton) for Broadway (Mr. Santos), for Thursday, July 18, 1991, for 10 a.m.

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

### REPORT STAGE

#### Bill 40—The Education Administration Amendment Act

**Hon. Leonard Derkach (Minister of Education and Training):** Mr. Speaker, I move, seconded by the Minister of Highways and Transportation (Mr. Driedger), that Bill 40, The Education Administration Amendment Act; Loi modifiant la Loi sur l'administration scolaire, as reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

#### Bill 41—The Public Schools Amendment Act (2)

**Hon. Leonard Derkach (Minister of Education and Training):** Mr. Speaker, I move, seconded by the Minister of Justice and Attorney General (Mr. McCrae), that Bill 41, The Public Schools Amendment Act (2); Loi no 2 modifiant la Loi sur les écoles publiques, as amended and reported from the Standing Committee on Law Amendments, be concurred in.

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, I know that this bill has been through committee—

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

The question before the House was that Bill 41, The Public Schools Amendment Act (2); Loi no 2



modifiant la Loi sur les écoles publiques, as amended and reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

**Bill 42—The Public Schools  
Finance Board Amendment Act**

**Hon. Leonard Derkach (Minister of Education and Training):** Mr. Speaker, I move, seconded by the Minister of Northern Affairs and Rural Development (Mr. Downey), that Bill 42, The Public Schools Finance Board Amendment Act; Loi modifiant la Loi sur la Commission des finances des écoles publiques, as amended and reported from the Standing Committee on Law Amendments, be concurred in.

**Motion agreed to.**

**House Business**

**Hon. Darren Praznik (Deputy Government House Leader):** Mr. Speaker, if I may indulge the House for a moment on House business. There were two changes in my list, and I would ask for the appropriate leave to make them. In one case, we ask that in order of bills, Bill 35 be called before Bill 68, and I would like to have those reversed with leave of the House.

Mr. Speaker, I would also like to announce for the Standing Committee on Law Amendments that will meet at seven tonight, that not Bill 73 be brought before it, but Bill 75. It was an error on my part.

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

The honourable deputy government House leader does not need leave to alter the sequence. As a matter of courtesy, we thank the honourable minister.

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\* (1440)

**Bill 46—The Highway Traffic  
Amendment Act**

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, I move, seconded by the Minister of Rural Development (Mr. Downey), that Bill 46, The Highway Traffic Amendment Act; Loi modifiant le Code de la route, as amended and reported from the Standing Committee on Public Utilities and Natural Resources, be concurred in.

**Motion agreed to.**

**Bill 48—The Highway Traffic  
Amendment Act (2)**

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, I have three amendments that I would like to put on record here. I want to indicate that these are the amendments that all groups concurred in at the committee level. Because we had some difficulty doing the translations immediately, it was decided, to expedite time, that I would do the amendments at third reading.

I want to just indicate that the police representatives as well the owners of General Scrap and Metal have all met, and everybody is agreeable to the amendments.

I move,

THAT Bill 48 (The Highway Traffic Amendment Act (2); Loi no 2 modifiant le Code de la route) be amended by striking out section 11 and substituting the following:

**Subsection 20(8) repealed and substituted**

11 Subsection 20(8) is repealed and the following is substituted:

**Wrecker selling vehicle**

20(8) No wrecker shall sell or offer for sale an entire motor vehicle.

**Scrapper selling vehicle or parts**

20(8.1) No scrapper shall sell or offer for sale an entire motor vehicle or a part of a motor vehicle except to a wrecker or another scrapper.

**(French version)**

**Remplacement du paragraphe 20(8)**

11 Le paragraphe 20 (8) est remplacé par ce qui suit:

**Vente de véhicules par des ferrailleurs**

20(8) Il est interdit aux ferrailleurs de vendre ou d'offrir de vendre des véhicules automobiles entiers.

**Vente de véhicules par des casseurs de voitures**

20(8.1) Il est interdit aux casseurs de voitures de vendre ou d'offrir de vendre des véhicules automobiles entiers ou des pièces de véhicules automobiles si ce n'est aux ferrailleurs ou à d'autres casseurs.

Seconded by the Minister of Rural Development (Mr. Downey).

**Motion agreed to.**

**Mr. Driedger:** Mr. Speaker, I move that Bill 48 (The Highway Traffic Amendment Act (2); Loi no 2 modifiant le Code de la route) be amended by striking out Section 14 and substituting the following:

**Subsection 21(3) repealed and substituted**

**14** Subsection 21(3) is repealed and the following is substituted:

**Delay in wrecking motor vehicles**

**21(3)** No wrecker shall

(a) wreck a motor vehicle other than a motor vehicle purchased from the Manitoba Public Insurance Corporation; or

(b) dispose of a second-hand motor vehicle part or accessory;

for a period of 10 days after acquiring it.

Seconded by the Minister of Rural Development (Mr. Downey).

**(French version)**

Il est proposé que le projet de loi 48 soit amendé par substitution, à l'article 14, de ce qui suit:

**Remplacement du paragraphe 21(3)**

**14** Le paragraphe 21(3) est remplacé par ce qui suit:

**Déial**

**21(3)** Il est interdit aux ferrailleurs, pour une période de 10 jours après l'acquisition d'un véhicule automobile:

a) soit de démoir le véhicule automobile, à moins que celui-ci n'ait été acheté à la Société d'assurance publique du Manitoba;

b) soit d'aliéner des pièces ou des accessoires usagés du véhicule automobile.

**Motion agreed to.**

**Mr. Driedger:** Mr. Speaker, the final amendment. I move, seconded by the Minister of Rural Development (Mr. Downey),

THAT Bill 48 (The Highway Traffic Amendment Act (2); Loi no 2 modifiant le Code de la route) be amended by adding "and shall not dispose of the motor vehicle for a period of 10 days after acquiring it," after "recognizable," in proposed subsection 21(4) of The Highway Traffic Act as set out in section 15 of the bill.

**(French version)**

Il est proposé que le projet de loi 48 soit amendé par adjonction, après "reconnaisable", de "et ne peuvent disposer du véhicule automobile pendant

une période de 10 jours suivant son acquisition." au paragraphe 21(4) du Code de la route énoncé à l'article 15 du projet de loi.

**Motion agreed to.**

**Mr. Driedger:** Mr. Speaker, I move, seconded by the Minister of Education (Mr. Derkach), that Bill 48, The Highway Traffic Amendment Act (2); (Loi no 2 modifiant le Code de la route), as amended and reported from the Standing Committee on Public Utilities and Natural Resources, be concurred in.

**Motion agreed to.**

**Bill 49—The Colleges and Consequential Amendments Act**

**Hon. Leonard Derkach (Minister of Education and Training):** I move, seconded by the Minister of Finance (Mr. Manness), that Bill 49, The Colleges and Consequential Amendments Act; Loi sur les collèges et modifiant diverses dispositions législatives, as amended and reported from the Standing Committee on Law Amendments, be concurred in.

**Motion presented.**

**Mr. Speaker:** Agreed?

**An Honourable Member:** No. Withdraw. No.

**Mr. Speaker:** The question before the House is that Bill 49, The Colleges and Consequential Amendments Act; Loi sur les collèges et modifiant diverses dispositions législatives, as amended and reported from the Standing Committee on Law Amendments, be concurred in.

Agreed? All those in favour of the motion will please say Yea.

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed, please say Nay.

**Some Honourable Members:** Nay.

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

**Mr. Steve Ashton (Opposition House Leader):** Yeas and Nays, Mr. Speaker.

**Mr. Speaker:** Call in the members.

\* \* \*

The House took recess at 2:49 p.m..

**After Recess**

The House resumed at 3:06 p.m.

**Mr. Speaker:** The question before the House is that Bill 49, The Colleges and Consequential Amendments Act; Loi sur les collèges et modifiant diverses dispositions législatives, as amended and reported from the Standing Committee on Law Amendments, be concurred in.

All those in favour of the motion will please rise.

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

#### Yeas

Connery, Cummings, Dacquay, Derkach, Downey, Driedger, Ducharme, Enns, Ernst, Filmon, Gilleshammer, Helwer, Laurendeau, Manness, McAlpine, McCrae, McIntosh, Mitchelson, Neufeld, Orchard, Penner, Praznik, Reimer, Render, Rose, Sveinson, Vodrey.

#### Nays

Ashton, Barrett, Carr, Carstairs, Cerilli, Cheema, Chomiak, Dewar, Doer, Edwards, Evans (Brandon East), Friesen, Gaudry, Harper, Hickes, Lamoureux, Lathlin, Maloway, Martindale, Plohman, Reid, Santos, Storie, Wasylcia-Leis, Wowchuk.

**Mr. Clerk (William Remnant):** Yeas 27, Nays 25.

**Mr. Speaker:** I declare the motion carried.

\* (1510)

#### Bill 57—The Horse Racing Commission Amendment Act

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, on behalf of the Minister of Industry, Trade and Tourism (Mr. Stefanson), I move, seconded by the Minister of Environment (Mr. Cummings), that Bill 57, The Horse Racing Commission Amendment Act (Loi modifiant la Loi sur la Commission hippique), reported from the Standing Committee on Public Utilities and Natural Resources, be concurred in.

**Motion agreed to.**

#### Bill 58—The Development Corporation Amendment Act

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, on behalf of the Minister of Industry, Trade and Tourism (Mr. Stefanson), I move, seconded by the Minister of Environment (Mr. Cummings), that Bill 58, The Development Corporation Amendment Act (Loi modifiant la Loi sur

la Société de développement), reported from the Standing Committee on Public Utilities and Natural Resources, be concurred in. Thank you.

**Motion agreed to.**

#### DEBATE ON SECOND READINGS

#### Bill 65—The Statute Law Amendment Act, 1991

**Mr. Speaker:** On the proposed motion of the honourable Minister of Justice (Mr. McCrae), Bill 65, The Statute Law Amendment Act, 1991; Loi de 1991 modifiant diverses dispositions législatives, standing in the name of the honourable member for Flin Flon (Mr. Storie).

Stand? No? Leave is denied.

**Mr. Steve Ashton (Opposition House Leader):** Yes, Mr. Speaker, the member for Flin Flon (Mr. Storie) had stood the bill and as he indicated, he did not wish to have it stand further. We are prepared to pass this through to committee stage. I do, however, want to indicate to the government House leader (Mr. Manness) and to the Attorney General (Mr. McCrae), we are reviewing the bill currently and there may be some concerns that we have. We will be raising those at committee stage, which I anticipate will not be immediate. So we are prepared to pass this through second reading.

**Mr. Kevin Lamoureux (Second Opposition House Leader):** Mr. Speaker, not wanting to prevent the bill from going into committee, we will address the bill once it goes into committee at that time. Thank you.

**Mr. Speaker:** The question before the House is that Bill 65, The Statute Law Amendment Act, 1991; Loi de 1991 modifiant diverses dispositions législatives, be now read a second time. Agreed?

**Some Honourable Members:** Agreed.

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

#### Bill 59—The Workers Compensation Amendment and Consequential Amendments Act

**Mr. Speaker:** On the proposed motion of the honourable Minister responsible for The Workers Compensation Act (Mr. Praznik), Bill 59, The Workers Compensation Amendment and Consequential Amendments Act; Loi modifiant la Loi sur les accidents du travail et diverses

dispositions législatives, standing in the name of the honourable member for Thompson (Mr. Ashton).

**Mr. Steve Ashton (Thompson):** Mr. Speaker, I am pleased to be able to participate in debate on Bill 59, The Workers Compensation Amendment and Consequential Amendments Act.

I want to begin, Mr. Speaker, by expressing my concern about the nature of this bill, my concern about the importance of the issues this bill is dealing with, and my hope that through these comments and the comments of other opposition members and comments from the stake-holder groups, in this case management groups and labour groups, and perhaps most importantly, in terms of the comments and views of injured workers, that this bill will be dealt with appropriately—a very complex bill, a complete rewriting of the act.

I will be suggesting that following that process, this government take the time to review some very, very significant changes that are being proposed as part of this bill, changes which I feel are not in the best interests of Workers Compensation in Manitoba.

I want to indicate, Mr. Speaker, first of all there are a few changes in this bill that can be supported. They are consistent with the Legislative Review Committee. They are consistent with what we have been saying in this House. I have said that ever since my appointment as Workers Compensation critic, I have supported a number of the changes, and they are really nothing more than an attempt to bring us in line with other provinces. I want to note that those changes are first of all the statutory indexing benefits, and second of all the increase in the maximum allowed earnings that is part of this bill.

I want to address the first one, Mr. Speaker, by saying that we have, I think, all realized in the House that Workers Compensation claimants should not have to rely on the good will and good spirit and generosity of members at the Legislature in periodically passing bills that will index benefits. We did that recently in this session. Other governments have done it in the past. We believe there should be a statutory entitlement to indexation of benefits, and I want to indicate that we support the principle of that which is contained in this bill. I do, however, want to add that we have concerns about the formula that is being used in this bill. We are particularly concerned about the fact that this

indexation has caps on it, has limits, and will not be full indexation.

I want to indicate that at committee stage, we may indeed be looking at amendments that would ensure the indexation that this bill boasts, in terms of the basic principle, is to be a complete indexation, because we do not feel that injured workers and their families should be in the situation of having anything other than full protection of their benefits. Everyone, I think, is aware of how difficult it is for people on Workers Compensation and their families, and we do not believe that this bill goes far enough in recognizing the need for full indexation.

In terms of the maximum benefits, I want to indicate again that indeed is important, and we support the principle. In this particular case, we are really catching up to other jurisdictions in many cases. It is not out of line with those other jurisdictions. I have said in this House repeatedly the last number of years that we need that catch-up.

In my constituency, for example, many injured workers found they had a significantly reduced standard of living because of the fact the maximum allowed benefits came nowhere near recognizing what they were making in the way of income before they were injured. So we support that and note that it is really bringing us in line with other provinces.

Those two are indeed the gems in this bill. I will say, however, that there are many other changes in this bill that led us to have concern. Mr. Speaker, I say to you, we have many concerns about this particular bill, and our primary concern—and I raised this in Estimates the other day—is we believe this is a bill that is driven by the actuarial experts. It is being driven by those who indeed have costed this out. It is being driven by those who are seeking to deal with the unfunded liability of the Workers Compensation Board, and I hate to say this, but at the expense in many cases of reduced benefits either for existing workers or, in many cases, for future Workers Compensation claimants.

I raised that in the House the other day, and I know the minister has indicated he will provide me information with the bottom-line effect of the various changes. I note in my review of this bill and the various clauses—and it is a very complex bill—there are many sections to my mind that are clearly aimed at reducing the payout of benefits to workers, either currently on Workers Compensation or those future claimants, and I want to address that.

\* (1520)

The minister in his opening comments indicated that the current shift in terms of calculation of benefits, the current shift that he is looking at, the gross net change that he has raised, is aimed at dealing with the anomaly that some compensation claimants in fact, because of various tax implications or because of topping up of benefits, may receive a higher amount on compensation than they would without compensation in their previous employment. That indeed is an anomaly that does exist. I know it exists. I have seen that in a number of cases, Mr. Speaker, and I recognize the intent of the government, presumably, was to eliminate that type of situation.

Let us not forget what is happening. This government is not just going to reduce excess benefits. It is going to effectively reduce benefits for many, many injured workers. Virtually all single workers will receive less under the new formula. All single workers, regardless of what claim level they are at, will receive less under this schedule.

The minister, I think, could do well to provide an analysis of that, because I know others have conducted such an analysis, particularly in the labour movement, and that is—I know the minister will look at that analysis. He will see single workers will suffer. Not only that, Mr. Speaker, but many married workers will suffer and, depending on the number of dependants they have, depending on the number of claimants, I can say the bottom line is that even at the fairly modest income level of \$24,000 a year, under this schedule, the new formula adopted by the minister, they also will have reduced benefits.

Let us put in perspective the amount of the reduced benefits. The amount of the reduced benefits in the case of some injured workers as compared to the previous formula will be upwards of \$3,000. That is a significant cost to those injured workers who have already gone through the physical and the mental and the psychological and the emotional and often the marital adjustments that result from being on compensation. These are the same workers who have to deal with the delays, Mr. Speaker, that were recently confirmed by a study conducted by the Manitoba Federation of Labour of claimants, and can be confirmed by anyone in this Chamber.

I continuously receive concerns about workers compensation delays, people waiting weeks and

months for cheques, people caught in a complicated system whereby they often are unable to receive benefits for a significant period of time. I have seen people driven onto welfare. I have seen people driven to bankruptcy because of those delays.

I said before, the other day, and I will say it again, that I recognize the efforts of Workers Compensation Board staff in trying to deal with that situation. I will support and have supported any changes that will provide faster, quicker service to injured workers. That is not in doubt.

I am concerned that this government is now going to be reducing benefits to many people because of the shift in the calculation of earnings. That comes as little consolation to individuals who might find themselves eligible for greater benefits because the increase in the ceiling would then find the minister taking away as much as \$3,000 from injured workers and their families. The minister knows that there are people who will be affected to that degree.

When I am talking about people, I am talking about people on relatively modest incomes, \$25,000, \$30,000 and up, in the case of married individuals. In the case of single individuals, virtually all single individuals will have reduced benefits as a result to the change in the formula. That is a bottom-line argument; it is a bottom-line decision. We will asking, and the minister will be providing for a complete accounting of the impact of this on the bottom line. I want to say again, Mr. Speaker, we are concerned about the bottom-line mentality of this bill, and this is probably the most obvious case.

There are other concerns as well that I wish to deal with, other concerns—a restrictive definition of occupational diseases put in the act. I do not wish to get into a lengthy discussion. It is a fairly complex area. It has certainly been identified as a concern by those who deal with workers compensation. I would look to the minister for amendments in this area, because I do not feel that this restrictive definition is in keeping with the trend in terms of occupational health, whereby in fact occupational diseases have increasingly been recognized for their impact on workers, for their negative impact on the health of workers.

We have a whole new body of information, Mr. Speaker, that is dealing with that. There is no reason in my mind for this more restrictive definition. In fact the definition may have to be more

comprehensive to recognize all occupational diseases.

There are restrictions in this bill on the definition of an accident. I think that again is not appropriate. I believe it will create difficulties in cases where people should be eligible for workers compensation. I note that because that is of significant concern to us.

This bill, in numerous sections, moves us more and more towards experience rating, in fact, the most experience rated system of workers compensation in the country. When the government brought in that change, we opposed it in the New Democratic Party, because we feel the experience rating system puts a great deal of pressure on employers to reduce the number of accidents not through accident prevention but by encouraging employees not to report accidents.

I have said to the minister, and I will say again, that happens on a regular basis. I remember the former minister Harry Harapiak, former critic of Workers Compensation, told this House in the 1950s about the time when he had a broken leg. Inco called him into work and encouraged him not to report it, because at that time they were concerned about their safety record. That has happened.

I know it has happened in other cases. It happened to my brother a few years ago when he worked with Inco. The same thing happened. He was injured and the pressure was put on him not to report the injury, which is ironic because he was a medical student at the time. He later became a doctor. He knew of the medical difficulties of being back at work at a supposed light-duty job and the risk of further injury, yet he was pressured to come in. When he did not, he was told later by a supervisor, we know your kind, you will not get a job here. Indeed, coincidentally next summer when he applied for a job, he did not get a job. Whether that was because of that directly or not, I leave that to your conclusion. That was only a few years ago here in Manitoba in my own constituency, a member of my own family, my brother. So the pressure is there. The pressure was there before experience rating. It is going to be exacerbated significantly because of experience rating.

I am concerned, in particular, about other changes that remove the pre-existing condition sections and also establish the concept of dominant

cause in this bill. Mr. Speaker, that is not consistent with the laws of this province. That is not consistent with hundreds of years of tort law, which this bill, this concept of workers compensation, replaced in most jurisdictions and in Manitoba in the early part of this century.

I want to deal with that because that was the trade-off. Workers would theoretically be able to receive benefits on a more guaranteed basis, on a more expedited basis, and in return gave up their right to sue in the courts, to take tort action, civil action.

I believe in many ways this has become the employer protection fund. It has become an insurance fund as much for employers as it is for the benefit of employees. I disagree with the minister when he stated the other night that many Workers Compensation claimants would not be able to receive benefits under the courts of law, because I point to the fact that many would be able to receive significantly higher benefits, especially given the trend in liability claims in the last 10 or 15 years as a result of changes in the court system.

I want to say to the minister what concerns me about what this government is doing on Workers Compensation now is that it is moving away from concepts that I feel were well established in tort law. The thin skull doctrine, whether being criminal or tort law, which stated, to put in a very blunt sort of example, when someone got into a fight with someone, even if that person would have died the next day from a pre-existing situation -(interjection)-The minister says that is unclear. The court would not accept as an excuse if that person was assaulted the day before, he might otherwise have died. The person would have died anyway.

\* (1530)

That may come as some surprise to the Minister of Health (Mr. Orchard). That may have come as some surprise, but I think in all fairness, the minister should acknowledge the key importance of pre-existing conditions and the workplace influence. I have seen many claimants, Workers Compensation claimants, who have fought for many years to establish their cases, who indeed had a pre-existing condition but where the workplace was a contributing factor to their being unable to work.

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

What I am concerned about is this government has had a bias against those individuals since it came into office in 1988 because of misconceptions by employers. To my mind, Madam Deputy Speaker, if someone is injured or suffering from a disease and the workplace has been a contributing factor, this government should not through this bill be trying to limit their ability to achieve Workers Compensation because, Madam Deputy Speaker, I stress again that this is essentially a no-fault structure. People do not have the ability to go to court, and it is unfair for this government to be dealing with that.

I have raised the case of firefighters, for example, and I will be raising it again in committee, the need to have the specific circumstances facing firefighters recognized as it was in regulation for 20 years before it was struck down by Justice Lyon just a few years ago. The response to that has been similar to their response in this whole area for existing conditions, et cetera, that, oh well, some of these people who had heart attacks or had other difficulties had other contributing factors. Indeed, but the medical evidence shows increasingly that the hazards of being a firefighter have contributed significantly to people dying and that those other factors cannot be dealt with.

A woman I have come to know quite well, I see her as I travel back and forth to Thompson, she works with Canadian Airlines—her husband passed away about a year and a half ago, 42 years old, in the prime of life, very fit, did not smoke, watched his diet, died a number of years ago. She believes that it is related to the fact that he was a firefighter and particularly to some specific fires he was involved in. She has taken the time to look at the medical evidence on the risks to firefighters and indeed their families because their families are also at greater risk.

I note with disappointment that not only does this bill not deal with that, Madam Deputy Speaker, it goes further and will move away from the progress, I believe, that took place in the 1980s that established greater recognition in the case of heart conditions and other conditions, the fact that there were contributing occupational factors that needed to be recognized. This government is moving backwards.

This is going to have impact on a number of other areas. Ironically, this opens up Workers Compensation for legal action in a fairly limited way

and in essence does not give claimants much consolation for some of the shifts that are taking place. I want to note that as a concern.

I want to deal also with other concerns, the various sections in the act involving wage loss benefits and impairment. I want to indicate that impairment awards, the PPDs as they are known with people who work with it, are going to be significantly reduced, the pensions, significantly decreased while the wage loss component provides less benefits and more interference from the board. The structure that has been established is going to lead to a significant reduction in those pensions that will not be compensated by other changes. I point to that as a major concern of people who work with Workers Compensation claimants.

There are many other concerns as well that I want to identify, the sections regarding frivolous appeals, requests for medical review panels. I am always concerned about very subjective decisions. It is like relevancy, Madam Deputy Speaker. What is relevant in debate in this House is rather in the eye or, should I say, ear of the listener, the same way that frivolous appeals are. What may be seen as frivolous by the board may be very important to the individual involved.

I have seen many people who have fought for years and have been essentially told by the Workers Compensation Board that they had frivolous appeals and eventually were successful in their claims because of additional evidence, because of changes in recognition of the type of occupational hazards they were faced with.

I am very concerned about the sections that deal with this, because I do not believe when we are dealing with what essentially is a quasi-judicial system that we should be impeding people from their right to appeal. I am concerned about the introduction of this concept of frivolous appeals, because "frivolous" in whose eyes?

I want to deal with some other concerns that I know have been expressed by employee groups. In particular is the employers' access to medical information, Madam Deputy Speaker. We had an extensive debate when we moved for access by claimants to their own medical information, which I feel is quite justified. I believe that section introduces a further degree for potential adversarial relationships between employers and employees in the Workers Compensation context.

I feel that this system is essentially a no-fault system, that the only assessment that the Workers Compensation Board should essentially be doing is whether it is work related or not in terms of the injury or the occupational illness and the degree to which individuals should be compensated. I have great concerns when we further expand the role of employers in this area, because especially with the experience rating, individual employers now have a stake in ensuring that the claims are rejected. I believe that they should not have the ability to frustrate the claim process to any greater degree than exists currently.

I have concerns in another area, and I have expressed this previously and will indicate again the concerns about the contracting out, the privatizing of the board's authority in a number of areas, particularly in terms of adjudication. I look to the minister for an amendment in this regard, because I have concerns that we are going to be seeing employers dealing with cases. I think it is incumbent on the minister to limit that. Employers should certainly not be dealing with cases that are contested, since they in many ways are party to that case. I think it is very important to deal with that, because it is a significant concern.

Well, Madam Deputy Speaker, those are some specific concerns. I want to deal more generally with the principles of this bill and what is in this bill in a general sense and what is not in this bill. As I said, what is in this bill is a vision of Workers Compensation that is driven by the actuarial considerations, the bottom line. I find it interesting, ironic, that the minister now gets up and talks about unfunded liabilities. I remember a few years ago when a previous minister for Workers Compensation was pilloried—and I use that word—for not calling it a—

**An Honourable Member:** Unfunded liability.

**Mr. Ashton:** He called it unfunded liability at the time and the opposition objected strenuously to that and said it should be called a debt or a deficit. I notice now that the Minister responsible for Workers Compensation (Mr. Praznik), whether it is in regard to pensions or Workers Compensation, describes it for what it is, an unfunded liability. Both he and the Minister of Finance (Mr. Manness) have suddenly found that term is the accurate term.

I am concerned about the approach they are following, Madam Deputy Speaker. We have seen

since they came to office their No. 1 concern is the bottom line, and that they are willing to achieve their goals in two ways. One is to keep rates down for employers. The second is to reduce benefits paid in an overall sense to claimants. That, by the way, is the policy that they followed between 1977 and 1981.

It is one of the reasons the previous administration, the New Democratic administration, had difficulties on the financial side. The claims were not increasing overall. It was because of the fact that rates had been frozen and also additional recognition was given to certain areas. Additional recognition was given, for example, to the need for rehabilitation services and also recognition of pre-existing conditions, et cetera.

We have seen it before and we are seeing it again, that this government is more concerned about the rates and the bottom line than other factors. I want to point out, Madam Deputy Speaker, that in the overall context of Canada, our rates are competitive, our Workers Compensation rates are competitive. I want to go further and say that our rates are quite reasonable if one considers the fact we are essentially dealing with liability insurance.

Given the explosion of rates in terms of liability insurance—and we saw that with MPIC and we have seen that with claims—and particularly given the fact that this is a nontort system, we do not have the kind of situation available in Workers Compensation that we have seen from certain individuals with Autopac, 10 claims, one individual, in a 10-year period claiming total disability in eight and receiving out of court settlements in a number of them.

\* (1540)

You cannot do that on Workers Compensation. There are no out of court settlements, there are no court settlements. There can be no out of court settlements that are brought in to deal with situations like that. I point to the comments made by the member for Elmwood (Mr. Maloway), who has suggested that we might wish cases of Autopac to be moving toward a more genuine no-fault system. That is why I am saying, in the context of liability insurance and liability claims, Workers Compensation rates have been reasonable.

The increases have been in line with that, after a period of artificial depression of rates when the last Conservative majority government was in place. It



was an increase, a controlled amount, indeed upwards of 20 percent in some years. That is what was happening in terms of insurance and in many ways it was a catch-up to what it would have taken previously.

I recognize the concerns of employers impacted by payroll deduction increases federally, impacted by the GST and other taxes. I am not saying those concerns should not be recognized but I would say, Madam Deputy Speaker, that the primary goal in terms of Workers Compensation should be to ensure fair treatment for injured workers and their families, not an artificial level of rates. The rates should reflect the need to compensate people fairly, as indeed do insurance rates for the same types of liabilities.

I want to say that there has been another approach of this government and that has been to reduce benefits. The underlying principle of this bill is to reduce certain types of benefits, restrict certain types of claims to reduce the bottom line, to reduce the unfunded liability, if they like. It will be at the expense, in some cases, of injured workers currently and in many cases of future injured workers.

Let no one be misled by the one or two principles in this bill that are positive. That is the icing on the cake, if you like, that is what the minister would like this Legislature to see and see only, but this is an intricate bill. It is like a spider's web—a very intricately woven structure.

What is going to happen is this spider's web is going to catch many injured workers, often unsuspectingly, a lot of whom do not even know of the implications of this bill. They will be caught in this web that is being created by the minister for actuarial reasons. I find it unfortunate.

I want to stress this again, in terms of the process we are dealing with, that in some ways controversies over other bills have distracted from the significance of this bill. Bill 70, for example, a very significant bill, affects working people, affects collective bargaining.

This bill will have an equal significance, in fact perhaps a greater significance in the long run, because it is going to have permanence. It is going to be statutory. It will be legislation in this province.

I say on the process that, indeed, we look forward to presentations from committee, and I say to the minister we look forward to some significant

amendments. I am willing to meet with the minister following presentations to work with the minister in areas where there is a possibility of getting significant amendments.

I want to say again in terms of our way of approaching such significant bills, Madam Deputy Speaker—a very complex bill—that what we need increasingly is to recognize the need not to be driven by artificial deadlines as we were with Bill 70, where the government decided that it was going to finish the hearings within a week and did so at the expense of our democratic traditions. The same applies in other complex bills such as Bill 59.

Bill 59 should appropriately be sent to committee but should be sent to a committee that is not going to be constrained, directly or indirectly, by other factors including the session itself. This is the kind of bill that should appropriately be sent to an intersessional committee that will allow for full and complete input from members of the public and will allow for a great deal of discussion about potential amendments. I say that because that was the process that was followed to the Legislative Review Committee. It held significant hearings throughout this province.

This bill, I believe, reflects some of those findings, although ignores many others, and changes the implementation of a significant number of those recommendations. If we had consultation before, and if the minister is claiming in any way, shape, or form that this bill is a response to the Legislative Review Committee's recommendations, the logical thing is to go back to the people again, as did the Legislative Review Committee, by holding hearings not just in Winnipeg and other areas, by talking not just to organizations, but talking to injured workers themselves about their concerns, and talking in an open-minded way about potential changes to this act, dealing with omissions, amendments that could deal with omissions, dealing with significant problems in this bill.

That is why, Madam Deputy Speaker, I will say to the minister that we are quite prepared to go to committee on this, expressing our objections to the underlying bottom line with this bill, because we want to hear from the people.

I say to the minister that the appropriate thing for this minister to do would be to indicate publicly that there is no deadline for the passage of this bill, which indeed there is not, that he is willing to consider it

intersessionally and that he is willing to recognize, given its significance, its long-term impact on injured workers, that he is willing to deal with this either at an upcoming part of this session, because the session could adjourn, or at a subsequent session.

This bill is too significant to be dealt with by a fast-track process. It is too significant to be dealt with by one or two committee hearings. This bill deserves full and complete public input and not in the way—not the travesty that we saw with Bill 70, not that type of public input. We need the kind of public input we saw from the beginning with the Legislative Review Committee. We need to have committee hearings throughout this province.

Given that, Madam Deputy Speaker, I want to indicate our strong concerns and objections, after having read through this bill, to many of the provisions, and I want to put on record that we will not support the passage of this legislation on a fast-track basis. We will vote against it if necessary. We may introduce a motion on third reading, I give the minister notice, for a six-month hoist of the bill which will essentially allow the minister to table that for the remainder of this session and come back to it in six months.

The only reason we are not moving that now is because we do want to hear from the public. We want the minister to hear not just from our caucus that there are serious concerns about the implications of this bill, and I believe if we cannot convince the minister in this debate, certainly moving a motion at him will I am sure in this case not convince the minister. Even a vote on this bill will not convince the minister.

This government has the majority; we recognize that. They are going to have to be accountable in a general political sense, and I say we will be watching the degree to which they will be accountable in the upcoming days in terms of committee hearings, but the minister should anticipate that we will not allow this bill to pass through without his having to consider the advisability of dealing with such a complex matter.

\* (1550)

I believe this bill can be dealt with effectively through the process I have indicated, and I believe there are areas where we could have a co-operative approach. Not entirely—we do not agree with the government's bottom line mentality, but there are areas where I believe it is in the interests of injured

workers and their employers to improve the functioning of the system, to take a system that does need updating and indeed take some of the recommendations, on many of which the Legislative Review Committee were unanimous.

In fact, one of the key individuals is now a member of the minister's own staff in the Department of Labour, a former constituent of mine, Tom Farrell, who did a great deal of work, and he, as an employer rep, agreed with many of the recommendations. That is what I find disappointing about this bill, Madam Deputy Speaker, how selectively some have been adopted, selectively other changes have been introduced, selectively changes that were recommended have been changed in terms of form and content, so we end up where this bill is barely recognizable from the context of the Legislative Review Committee.

That does not surprise me. It reflects the approach of the Conservative government that we saw before, that we saw in opposition when their only real concerns were about the bottom line. We are seeing again, now that they have a majority, in the same way. We have already seen the changes that were made in that regard.

I note, and I have been critical of the previous minister—it has been no secret that we had many a debate on workers compensation issues—but I look forward also for his input, because I believe there are sections that he indeed will identify as having fault, the member for Portage (Mr. Connery), because I know he did take the time to familiarize himself with the act. While there are many areas we would disagree on, I believe even the member for Portage, a former minister, having had the opportunity to peruse some of the implications of this bill, will perhaps work with us to persuade the government to deal with this matter in a fairer way, because I am sure he recognizes, as a former minister, the implications of this bill.

I want to say in concluding that this is a very significant bill. It will not attract perhaps the six hundred or seven hundred presenters we saw on Bill 70, because it is not as immediate. The symbolism of Bill 70, the importance of the loss of collective bargaining, that explains the kind of public attention.

This is far more complicated. From those who deal with workers compensation on a daily basis, they know, we know and the minister should know,

this bill is going to have very serious potential implications for working people in the future, and they are not of a positive nature.

With those comments I want to indicate our serious concerns about the direction this bill is following. The only reason, Madam Deputy Speaker, we will not be voting against this bill at this stage is to allow it to go to committee, the only reason. I put on notice that in future proceedings on this committee, we may indeed be voting against this bill if the minister tries to push it through. We may indeed be moving a six-month hoist. We will be fighting for a fair process that will hopefully result in a far fairer bill than this very seriously flawed, very complicated and, in my view, in many ways, a very unfair piece of legislation. Thank you.

### Committee Changes

**Madam Deputy Speaker:** The honourable member for Gimli with committee changes. Does the honourable member have leave to make committee changes?

**Some Honourable Members:** Leave.

**Madam Deputy Speaker:** Leave.

**Mr. Edward Helwer (Gimli):** Thank you, Madam Deputy Speaker. I move, seconded by the member for Fort Garry (Mrs. Vodrey), that the change I made to the Municipal Affairs committee, the member for Emerson (Mr. Penner) for the member for Seine River (Mrs. Dacquay) for Thursday, be rescinded.

I move, seconded by the member for Fort Garry (Mrs. Vodrey), that the composition of the Standing Committee on Privileges and Elections—this is for Thursday at 10 a.m. sitting—be amended as follows: Steinbach (Mr. Driedger) for Seine River (Mrs. Dacquay).

I move, seconded by the member for Fort Garry (Mrs. Vodrey), that the composition of the Standing Committee on Industrial Relations for Thursday at 10 a.m. sitting be amended as follows: Lac du Bonnet (Mr. Praznik) for Seine River (Mrs. Dacquay); Ste. Rose (Mr. Cummings) for Morris (Mr. Manness); and Portage la Prairie (Mr. Connery) for Fort Garry (Mrs. Vodrey).

**Madam Deputy Speaker:** Agreed?

**An Honourable Member:** Agreed.

**Madam Deputy Speaker:** Does the honourable member for Inkster have leave to make committee changes? Leave.

**Mr. Kevin Lamoureux (Inkster):** Madam Deputy Speaker, I move, seconded by the member for Crescentwood (Mr. Carr), that the composition of the Standing Committee on Municipal Affairs be amended as follows: St. Boniface (Mr. Gaudry) for River Heights (Mrs. Carstairs) for Wednesday, July 17 at 7 p.m.

I move, seconded by the member for Crescentwood (Mr. Carr), that the composition of the Standing Committee on Privileges and Elections be amended as follows: St. James (Mr. Edwards) for Inkster (Mr. Lamoureux) for Thursday, July 18 at 10 a.m.

I move, seconded by the member for Crescentwood (Mr. Carr), that the composition of the Standing Committee on Law Amendments be amended as follows: The Maples (Mr. Cheema) for Osborne (Mr. Alcock), St. Boniface (Mr. Gaudry) for River Heights (Mrs. Carstairs) for Wednesday, July 17 at 7 p.m.

**Madam Deputy Speaker:** Agreed? Agreed and so ordered.

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**Mr. Paul Edwards (St. James):** Madam Deputy Speaker, it gives me pleasure to stand and speak on this quite momentous, quite significant piece of legislation that comes before the House in the form of Bill 59.

As the minister's press release indicated, this has been a bill which has been some time in the preparation stages. It is the result of ongoing efforts of a committee as well as many, many others. Let me say at the outset that I think all members appreciate the work done by so many in the community, both from the labour side and from the management side, in attempting to do what they can to have the Workers Compensation scheme better serve its objects.

Let me be clear at the outset what my view of its objects are. We spoke in the Estimates process just a few days ago about the Workers Compensation Board scheme, and I put some comments on the record which I want to repeat briefly, which are that the Workers Compensation scheme was born of a deal that was struck between workers and their employers. The problem was the needs of workers and the needs of employers, and it is important to recognize that both were not happy with the system, were to be better accommodated in an

administrative scheme rather than litigation through the courts.

What was happening was that workers were increasingly frustrated with courts that analyzed to the nth degree their responsibility for their own injuries on the job and then apportioned things accordingly. It took time and money on their part to try and get some remedy in the courts. They obviously were most often not in a position to push forward those cases. An employer with much larger resources could stall or kill the action.

When they did get to the judge, more often than not they felt aggrieved in that they were found wanting in their own performance of their duties. So that was a problem, and it was a reasonable one. In modern society, we do not want to leave on the scrap heap of life those who, even through carelessness on the job, suffer injury. They still have families to support and bills to pay and it is a very, very rare injury indeed that is intentionally caused. That may be some justification for not compensating, if someone intentionally injures himself. Most often, it is perhaps partly the responsibility of the employer, not sufficient safety precautions, not sufficient training. Sometimes it is the employee not sufficiently monitoring their work or doing it properly but, whatever the cause, the result is the same; a worker is without income.

Madam Deputy Speaker, the employer on its side wanted some stability of cost and also wanted, I think, a work force that was willing to see its employer as fair-minded and interested in the well-being of the workers. It was generally good for labour relations and the employer received from the deal the guarantee that these matters would not be pursued in the courts.

The thing about the courts is, the problem with the courts from an employer's point of view is, if you lose, you do not know how much you lose. There is no predictability. If some employee goes and you are found wanting, the court could award very large sums indeed, and that may throw a serious wrench into the financial stability of an employer, in particular a small employer. What the employer got from the deal, the bargain, was stability of costs. They pay a certain assessment each year to the Workers Compensation scheme and in return for that they are covered as is the employee if and when an injury occurs. So that is the deal.

\* (1600)

It is from that premise that we have to start when we are discussing Workers Compensation. Workers Compensation is often cast, I find, erroneously by employers and employer groups as a gift to employees, a benevolent thing that employers do out of the good will of their hearts: They did not have to do it, but they are doing it. That is an erroneous view. Employers gain and continue to gain under the Workers Compensation scheme. It is to their benefit as it was then to have a Workers Compensation scheme in place that guarantees the expenses they will face to cover injured workers.

They do not have any risk remaining, especially since the Supreme Court decision just a few months ago guaranteeing there cannot be a claim launched in court against them as a result of an injury on the job. That does not mean they still may not face a charge under The Workplace Health and Safety Act if their procedures or equipment is criminally unsafe; that can still occur.

In terms of the injury to the worker, they will not have to be paying millions of dollars to take care of long-term injuries. So it was win-win from both sides of the equation. It is important to start with that premise.

Secondly, the Workers Compensation scheme has, it is important to know, been the subject of much derision across this country, in this province, from people in this House, from employers and, as we all know as members serving thousands of constituents, the claimants. There has been massive unhappiness in Manitoba with the Workers Compensation scheme. I must say at the outset that I have some hope for the board's operations going into future years because if I compare 1988 to 1991, there are less complaints.

I was convinced in 1988 that in that year—and the member for Transcona (Mr. Reid) says they are still made from his office. I agree, there are many which still come to my office. I am telling him, if he spoke to the former member for Transcona, he would see that in 1988 I do not think I had a constituent who had anything to do with Workers Compensation who had not come to me because they were absolutely frustrated with the process. They were at their wit's end.

They were out of money and had been cut off and were saying to me: Do I go on welfare? My doctor says to me I am injured, I cannot go back to work. If I do go back to work, I will be more injured. That

is what my doctor is saying; their doctor is saying I am fit to go back to work to my old job. What do I do? Do I go back and go against my doctor's advice, injure myself further, risk that? Or do I wait for this six-month appeal to go through its process and in the meantime maybe end up broke, depressed?—because wage earners, they lose their ability to earn income, anybody. It is a depressing thing, especially if one doctor is telling you you are fit. You wonder if there is something wrong with you. There was a psychological aspect. It has had incredible, stressful effects on families. They were legitimately going on welfare.

Now remember, the Leader of the Opposition (Mr. Doer) says: They call their MLA. Well, let me tell you that is what they did in incredibly large numbers. In 1988, 1989, I must say I have only been in since '88, but those two years we had calls. The phone was ringing off the wall and there were enormous problems. I must say, even though it is certainly nowhere near where it should be, it is better now than it was then. I have canvassed that with other—and I do not say there are not still grievous problems with Workers Compensation. There are. What I am saying is if I compare then to now, there are some improvements.

If nothing else, I think it has become at least a bit more user friendly. Used to be at the Workers Compensation in 1988-89 when you would call up—I remember one call in particular. I called up one time in particular. I just called up on behalf of a constituent and said I want to speak about this. The person who I was supposed to speak to, the answer I got was, he is not taking calls today. I said, well, okay, he is not taking calls now. I can understand that. When is he taking calls? I will call back or he can call me. I asked if he, in fact, was there. Yes, he was there. He was in an office, not taking calls. So that was the kind—and, of course, I had to keep going up the ladder, finally spoke to a board member who did get the worker to speak to me that day. We as MLAs go to that task with some confidence that we are able to put our cases forward and are sometimes able to pull rank and go above people's heads and do that.

What a shame we have to do that. What a shame the people in the first place have to come to us, that they were being bounced from department to department, person to person, five, six times, never getting a straight answer, never getting any indication of when they might hear as to when their

appeal was going to be heard and oftentimes feeling that they had been rudely treated and callously treated. So they turn to us for assistance as their MLAs; that is no good. They should not have to turn to us as MLAs. They should be dealt with in a fair and equitable manner.

I think there has been some improvement, and I must say that in all candidness, I think there has been some improvement. I know, and I still hear these horror stories and there is a long way to go, but I do not think that the last years have not been without some improvement.

In any event, I have spoken to the minister about my view that there should be some bridging mechanism. I think if you appeal, there should be some way that you can stay on compensation. Appeals would have to be in a reasonable period of time obviously, and that would be an incentive for the board. If you were to stay on your benefits until the appeal was heard, there would be a lot of incentive on the board to hear an appeal quickly, which they should. So I think it is the way to go.

If the appeal is to be a real right of appeal, you cannot bankrupt people when they take an appeal. That is not a real right. What happens is there is a massive duress on the claimant and they are essentially forced, not of their own free will, to accept a doctor's opinion, who works for the Workers Compensation Board, and go back to work, oftentimes reinjuring himself, making it worse.

We need a real right of appeal. That is a little bit off the topic of this particular bill. I put those comments on the record. The minister has indicated he is looking at that problem. I am happy about that. That is what we need to see, some legislation to come before this House to provide for that situation because, if you are cut off, the truth is, you still really do not have any recourse, and it is tragic.

Many of these people are living as most Manitobans are these days, pay cheque to pay cheque. You miss one, and there is trouble. There are debtors at the door. You cannot make your mortgage payments, you cannot put food on the table. It is no good.

Madam Deputy Speaker, with respect to this particular bill, I have mixed views about this bill. There is a lot that is very good. I think there is a lot in this bill that is needed, long overdue, and I am not going to go into detail about what those provisions

are, because we are going to have some committee hearings. We will have an attempt to point that out.

There are some problems with this bill. I have no doubt that in some of the presentations we will hear in the committee tomorrow, we will hear about those problems.

Let me highlight a few for the minister which appear problematic from my point of view. Firstly, with respect to the medical reports, Madam Deputy Speaker, let me also say that I appreciate getting the outline from the minister, a summary of significant proposed amendments. I have read that, and I am looking at that. He gave to us yesterday or today a binder, it looks to me three or four inches thick, outlining all of the proposed amendments versus the correct bill. That would be very interesting to me during committee. I thank him for that. It is of absolutely no value to me today, because I got it this morning and nobody, including the member for Thompson (Mr. Ashton), will have read this, simply because it is hundreds of pages long. We got it this morning. Anyway, I am glad to have that.

My comments -(interjection)- It was delivered yesterday, the minister says. I accept his word on that, but I defy him to suggest that anyone could have read that between when he delivered it and today.

My comments flow from his significant proposed amendments—publication May 23, 1991—so if I am technically incorrect because in fact the bill is different, so be it. My comments are based on this, as were the member for Thompson's (Mr. Ashton).

In that document, he indicates that one of the provisions will provide that the medical reports, after proclamation of this bill, which have been submitted by the worker for the purposes of a reconsideration or appeal, will be available to the worker—it makes sense—the dependent of a deceased worker or the agent of either of them and to the employer or his or her agent. There is no more confidentiality of medical records, even those submitted by the employee.

Madam Deputy Speaker, I have some concerns about that. That kind of unrestricted access would be of grave concern to anyone. I want the minister to be put on notice that will be raised. I anticipate some of the speakers will speak about it. It is, in my view, most significantly a benefit in favour of the employer, given that since 1983 access has been

granted to the worker. Granting similar access to the employer is new, and I think potentially could be the subject of abuse. I think that has to be canvassed fully in committee. -(interjection)-

\* (1610)

The minister says, yes, there is an appeal procedure. The worker would be afforded an opportunity to object to the release of medical information. Well, being afforded an opportunity to object does not stand up much when the right of the employer is cast just as that, as a right, prima facie right to all medical information. So that is a concern. Now the minister is indicating from his chair he has some defences for that, and I look forward to hearing them. This particular document did not go into detail with respect to those.

Again, there is a proposal to clarify that the board is not responsible for mental or emotional disability arising out of a personnel action such as transfer, promotion, demotion, termination or layoff or for stress other than an acute reaction to a traumatic event. I have some experience in dealing with claimants who are claiming mental distress, and it is difficult to get compensation for that in the courts. It is also difficult to get compensation for that from the Workers Compensation Board. This to me smacks of an overreaction to a great fear the board has that they are going to be faced with all kinds of psychological stress trauma cases. There is a general desire on the part of the courts and on the part of boards like this to wipe out those claims, because they are too ephemeral. They are open to the discretionary interpretation of doctors, and that scares these people like crazy.

It is not an easy decision. If you have cancer, you can diagnose it. It is not that difficult. Somebody has got cancer. If you are stressed to the point as a result of your work that you cannot work, it is much more difficult to conclusively quantify that and assess that. Mental illness, generally, as a field suffers from that. It suffers from the paranoia of the decision makers who do not generally want to deal with them. It is too difficult. You cannot be sure and therefore the answer is, they do not have it, it is not real, go to work.

Madam Deputy Speaker, I think this may be just that type of an overreaction to a general unwillingness to get involved in psychological trauma as a disease, as an illness, which is compensatory as a disability in terms of one

performing his or her work. So that is a problem. I think that is going to need to be addressed. I think it is going to be addressed in the committee by many of the presenters, and I look forward to hearing what they have to say.

The other thing, I just might add, the board has given unto itself in that the ability they will establish the definition of what constitutes a personnel action. Personnel action is listed here as perhaps transfer, promotion, demotion, termination, layoff, that kind of stuff. So we are not talking about an incident like an explosion, a fire, seeing someone die in front of your eyes. That is acute traumatic. What we are talking about is a personnel action, the way you are treated on the job. I have some concerns about that distinction.

It seems to me, if anything, there is probably more reason to hold an employer responsible for personnel actions, which are directly attributable to management decisions, then there are to traumatic events which sometimes employers do not have a lot to do with. Sometimes traumatic events occur. It is not the responsibility of the employer. So, if anything, there is probably more reason to ask an employer to compensate, ask the board to compensate people for personnel decisions where they themselves have made those decisions, and if they cause trauma, stress, which results in an inability to do one's work, then I think that you could quite convincingly make the argument there is more reason for the board to cover them.

I see the argument being made, and it will be made I am sure, the floodgates argument, it is commonly referred to, which is, boy, do not open the door because, look out. There are all kinds of people out there with stress, and they will be flooded with claimants. In my experience, the paranoia from employers on that kind of argument and those kinds of situations always outweighs the reality, and as time goes on, I think it becomes increasingly clear you cannot shut the door. You have got to look at the merits of the case on a case-by-case basis.

If you deserve compensation, whatever the cause at the workplace in the course of your employment and you cannot work as a result of it, you should be covered. That is the principle. Let us not deviate from that principle. If it means we have to cover more people, then we should be pleased we are getting those people in the scheme because that is the point of the scheme. If you fit within those

parameters, we should cover you, and if it costs us more money, it costs us more money.

Let us not say, let us go halfway and cover you if you are injured on the job and it is physical or it is a traumatic event, but we will not cover you if it is a personnel decision of your employer, we will not cover you if it is psychological stress. We cannot say that. Those are real. Those are impairments to being able to work. You cannot go halfway. It is not an answer to say we will have to cover more people. If we have to cover more people, that is good, if those people are legitimately injured on the job in the course of their employment and cannot work as a result of it. That is the point.

So, Madam Deputy Speaker, I look forward to a full discussion of that. That is of grave concern to me, and I am sure that will be raised in the course of these hearings which we are going to have tomorrow.

Now, there is another proposal here that the medical review panels must be requested prior to a final adjudication by the appeal commissioner. Then it goes on to say, the next proposal: but when you do go to the medical review panel—you have to go—you will be subject, as a worker, to a reasonable cost not to exceed \$250 for the medical review panel where the medical review panel is requested by you, and the panel supports the decision of the board's physician. That is, you request the appeal, you go and you lose, and where the request, in the opinion of the board, was frivolous.

Again, this is a disincentive to a worker launching an appeal, and the answer will be, well, only when it is frivolous. Well, look you are broke in most cases when you are considering launching an appeal, you have no money. You are looking at going on welfare in most cases when you launch these appeals. Even the prospect of a \$250 levy, should you appeal and it not be successful, is enough to act as a disincentive to you exercising that right of appeal.

Now, \$250 does not sound like a lot of money to a lot of members, you know. What is 250 bucks? When you are on your knees and almost out on the street, \$250 is a lot of money. It is half the rent. It is food for a couple of weeks for your family. You do not risk \$250 lightly in those circumstances.

This is very clearly a disincentive to appealing, and I am opposed to any disincentive being levied against any worker in exercising their rights of

appeal. They should not have to pay. Now if it turns out to be frivolous—and I want to know from the minister, how many are frivolous? Are we talking about—I mean is he going to suggest to us that there are just massive wastes of time in dealing with frivolous appeals? It is a huge problem, and it is costing us millions of dollars to handle these frivolous appeals? I doubt it, Madam Deputy Speaker.

I would like to know (a) what is his definition of frivolous? If he says there are so many, let us hear about those that are frivolous and find out exactly what the definition of frivolous is. -(interjection)- Six thousand are frivolous that go to the -(interjection)- \$6,000 is the cost of a medical review. Well, I guess that is what the \$250 is balanced by. That is not the issue. The issue is, is there a disincentive to using your appeal right or not, and \$250 when you are almost on the street and considering an appeal is a disincentive.

\* (1620)

Should the worker have to sit there and analyze their case and say, my heavens, what if I am even potentially being frivolous? I do not know what the definition of frivolous is by the way; nobody can tell me, but I have to make that decision as to whether or not it is frivolous and look at the end of the day at paying 250 bucks. If the cost is \$6,000 and we believe in a right of appeal, and we have been paying that \$6,000, how far is 250 bucks going to get us anyway in paying the 6,000 bucks?

I mean we are not breaking even on this in any event. It is a point of principle, and this minister I think is making a mistake. I think he will be taken to task on that. He should certainly withdraw that provision. It is not necessary; it is not fair; it is certainly not progressive. I do not know where it came from.

Madam Deputy Speaker, other concerns about this bill—and let me just in conclusion say, he has put in the \$250. In the prior proposal you are forced to go to a medical review panel if you want to get to the board. So you have got to go and you have got to take that potential cost of \$250—not too consistent.

There is another proposal here that the specific provisions on silicosis and silica be removed. Now, there is no explanation for that. I assume there is some explanation for the removal of silicosis and silica, and I look forward to that explanation. I have

not heard it yet, and it seems to me that silicosis and silica could be and are fairly serious diseases which can affect one's enjoyment of life and ability to perform a job. I will want a full explanation of that.

Madam Deputy Speaker, there is another provision, a proposal, in here which calls for a dealing with it. I am just attempting to find where it is in the minister's proposals. There is a provision, I believe, that government approval be required prior to the board proposing a regulation that would have the effect of adding additional benefits such as dental or supplemental health coverage to a benefit package offered to the injured workers.

Look, you are giving to the board the power to decide what is frivolous and what is not. There are enormous grants of power here to the board, yet we are saying to them, you want to add dental benefits to what you offered, you want to add supplemental health coverage, benefits like that, which may be commonplace in the workplace. No, you have to come to the government for that, do not trust you on that one, that might cost a few extra bucks, so better come back to the government on that one.

Either you trust the board to do their job or you do not. My suggestion is that the minister look seriously at the contradictory message he is sending the board. He gives them enormous responsibility and power to control millions and millions and millions of dollars, but they will not give to the board the ability to extend one iota the benefits, be that a dental plan, a supplemental health plan, anything which qualifies as an additional benefit. That is an outrageous restriction on this board.

I look forward to the justification because there does not appear to be any in this document at least, and I am sure the minister will want to make some defence to that. It is a fairly contradictory statement in this booklet, maybe he can work that out for the members of the committee when he gets there.

One other concern that I want to put on the record at this point, there are a number of others, but I am cognizant of the desire of others to speak on this and other bills. I did want to say that I think it is high time we got away from doctors who work for the Workers Compensation Board. We have doctors who are on almost full time, if not full time, retained under the Workers Compensation Board. They are asked to be the independent arbitrators of medical concerns. It is just not right.



They are on the payroll. They do not have credibility not because they are not good doctors, I do not attack that. I say, look, you are a worker and you have been turned down. What faith can you have in a system that the doctor who turned you down is being paid by the Workers Compensation Board that is going to save money if they cut you off.

Madam Deputy Speaker, I think it is high time we moved the way that others have moved; that is, doctors register on a list. They qualify as experts in their field and then they are chosen from that list at the behest of the worker, perhaps as with MPIC cases through agreement with MPIC, with the Workers Compensation Board in this case and the worker, perhaps at random from the list. However it is done, the point is there should be a list of doctors, not doctors on the payroll.

The minister has already indicated some support for that position which I have taken before, so I look forward to that coming up at committee as well. Let me conclude by saying that this bill has lots of problems, and it may require some significant amendment on the part of the minister should he wish to make it acceptable to the members of this House other than in the government. I look forward to him keeping an open mind on this.

One thing I can say about this minister, he has consistently expressed the desire to be open, to be flexible, to be desirous of making the system better. He is a new minister. I want to see him put that into action and here is a perfect opportunity. There is a lot of good stuff in this bill, a lot of things that should go ahead, but there are some very, very regressive, unfortunate provisions. Madam Deputy Speaker, I hope he will keep an open mind so that we can put through this House at the end of the day a piece of legislation that works for everyone.

Madam Deputy Speaker, with those words, I will conclude the representations that will be made from our party. I understand we have a number of presenters already signed up for the committee hearings, and I greatly look forward to hearing from them on the issues I have mentioned, but also on others. Thank you.

**Madam Deputy Speaker:** Is the House ready for the question? The question before the House is second reading on Bill 59, on the proposed motion of the honourable Minister of Labour (Mr. Praznik), The Workers Compensation Amendment and Consequential Amendments Act (Loi modifiant la

Loi sur les accidents du travail et diverses dispositions législatives). Is it the pleasure of the House to adopt the motion? Agreed?

**An Honourable Member:** Agreed.

**Madam Deputy Speaker:** Agreed and so ordered.

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**Madam Deputy Speaker:** Bill 68 (The City of Winnipeg Amendment Act (2); Loi no 2 modifiant la Loi sur la Ville de Winnipeg), to resume—

### House Business

**Hon. Clayton Manness (Government House Leader):** Madam Deputy Speaker, I believe, with leave of the House, I would ask that you call Bill 35 instead of 68.

**Madam Deputy Speaker:** Is there leave of the House to revert the order and call Bill 35?

**An Honourable Member:** Agreed.

**Madam Deputy Speaker:** Agreed.

### Bill 35—The City of Winnipeg Amendment Act

**Madam Deputy Speaker:** To resume debate on second reading of Bill 35, on the proposed motion of the honourable Minister of Urban Affairs (Mr. Ernst), The City of Winnipeg Amendment Act (Loi modifiant la Loi sur la Ville de Winnipeg), standing in the name of the honourable member for Wolseley.

**Ms. Jean Friesen (Wolseley):** Madam Deputy Speaker, I think many people in the House are anxious to move this bill to committee, including the Minister of Finance (Mr. Manness), and certainly we would like to oblige that and to speak quite briefly in general terms about this bill.

There is certainly a good deal of confusion about this bill, particularly at the City of Winnipeg, of course, the major level of government which is affected by this. It is, Madam Deputy Speaker, a major and complex bill of about 90 pages, which is part of the regular review of The City of Winnipeg Act. In particular, this bill looks at Sections 15 and 20, and, in the minister's words, has the goals of trying to make the bill more readable and to reduce some of the redundancies.

It does attempt in some instances, Madam Deputy Speaker, to incorporate some of the ideas of the Cherniack committee, and I believe some of those we will be able to support wholeheartedly. It

does, of course, add some new conservative ideas of the radical tendency that this government has come to deliver so frequently.

Madam Deputy Speaker, I began by suggesting that there was still some confusion about this bill at City Hall, and I would like to note that, although the city has had it perhaps for two months, there still has not come from the city any major position on this bill and that they have, in fact, had motions and spoken to the minister, I believe, on more than one occasion about the possibility of delaying parts of this bill. There is a motion from City Council on June 19 by Councillors Timmers and Murray, which points out that the City of Winnipeg is at the moment involved in a review of Plan Winnipeg. It is a very extensive review, one that is required by provincial legislation, and they would have preferred, I believe, to have dealt with the kinds of changes that this act indicates after that review had been considered.

\* (1630)

So I think perhaps the timing of this bill, Madam Deputy Speaker, the complexity of it, the length of it, and the fact that City Council has not dealt with it extensively, certainly in open debate at the Council level, although some of its committees have looked at it, would indicate that we perhaps should take some time to examine this.

The government has indicated for some, I think, two years now—I remember reading something by a former minister indicating that they would be bringing forth this bill—so it does not seem to me that there is a great deal of excuse for having only given it to City Council for two months. I have indicated, perhaps in speaking on other bills and in questions, that the staff of this department does not seem stretched in the research department, and perhaps more could have been accomplished over a longer period of time in that way.

The bill also does intend to make parts of the act more readable. I think part of that has been accomplished, but I do believe, as the Cherniack Commission reported, that we should also have a citizens' version, a popular version of The City of Winnipeg Act. I certainly would not recommend to many people, in fact, The City of Winnipeg Act as bedtime reading. It is very long, it is very complex, and it is not written yet—even though a number of governments have had a shot at it—in plain English. So I look forward to those kinds of changes, perhaps at a later date.

Large parts of this bill, Madam Deputy Speaker, are in fact an amalgamation and a refining of parts of the existing City of Winnipeg Act, and for much of those, we have no problems. Some are long overdue, and we would certainly want to give our support to those parts of the bill, but there are some new principles which are being introduced and which we do have some serious concerns about. We look forward to discussing those at the committee level.

Perhaps one of the most important of these, Madam Deputy Speaker, and I am sure we will be hearing from a number of groups this evening on this, is the repeal of The Rivers and Streams Act and the turning of authority for waterways over to the city. It seems to me, Madam Deputy Speaker, that in a number of areas, this bill should be looked at in the context as its companion piece Bill 68 which reduces the number of city councillors to 15 and, as I suggested yesterday, in fact, gives the opportunity for a group of eight, a gang of eight, however you want to call them, to control City Council. It seems to me, by turning over, by repealing The Rivers and Streams Act and turning over a very large authority for waterways which affect people beyond the boundaries of the city of Winnipeg and which have important environmental issues at stake, that this is not the way, I think, we wanted to go as government. We would certainly like to hear more discussion and debate upon those areas.

When the NDP was in power, Madam Deputy Speaker, we did propose a joint authority for management of the waterways of Winnipeg. There were good reasons for that; there are also good reasons, as the Cherniack Report indicated, for having the federal government involved as well, not just for the money but for the—not just for the trilevel possibilities that are there, but also because, of course, there are some statutory responsibilities of the federal government for certain types of waterways and certain types of responsibilities.

The minister, I know, has agreed with this. The minister has in fact proposed this. I am sure we supported him in that, and the city has turned it down. That is why I look forward to the debate and discussion in this area that I hope we will have at the committee level. It does seem to me that, since the minister has already proposed that to the city, a better route would have been, in fact, to enter into discussions with the city to see what kinds of agreements could be reached—and perhaps he did,

and perhaps we will hear about that later—rather than what seems to me an inconsistent move, which is simply to back off that policy altogether and to turn over to the city very large responsibilities for waterways which have provincial implications.

It is, of course, inconsistent with the amendments to The City of Winnipeg Act which were passed in 1990 and which we supported but which, of course, the present government in a minority situation opposed, but they did pass. These were the amendments—or the amendment which arose out of the issue of a proposed development at Omands Creek. I think it is important that we maintain the principles that are embodied in that amendment, and again, we will be looking for discussion on that in committee.

As a government, we had earlier indicated some interest and concern for the area of Omands Creek. We were involved in the exchange of land for the preservation of the area to the north of Portage Avenue, now known as Bluestem Park, and part of Bluestem Park is in fact—at least the bottom part of Omands Creek closest to the Assiniboine River is in the constituency of Wolseley. I have had many opportunities to watch minor league baseball there and to see the way in which it is very extensively used by people throughout the city. Bluestem Park, in particular, I think, deserves a great deal of commendation. The provincial government, both the Department of Natural Resources and the Department of Culture, Heritage and now Citizenship, I think, have done an excellent job in the interpretation of that area.

It is in that education, the education of people about the natural resources and the natural environment within the city, Madam Deputy Speaker, that I think we will encourage far greater use, far greater concern for the protection of those areas. Although we have not solved all of the security issues, I think, in Bluestem Park, the greater use and the greater number of people who are involved in that park, the more likely we are to solve some of those issues.

So we are, I think, in fundamental concern and opposition to the prospect of weakening environmental controls over our waterways. We would like to ensure that provincial standards be maintained, that intergovernmental responsibilities are extended, and that intergovernmental planning begin on these waterways. I know the government has had an interest in this. I would prefer that they

would not back away from it and that we have another round in fact of trying to ensure that provincial leadership and provincial standards are maintained in this area.

I do not think it is impossible, Madam Deputy Speaker. I think the ARC program, the Agreement for Recreation Conservation, which was a trilevel authority, was able to accomplish an enormous amount for the heritage rivers of Winnipeg and Manitoba, and it is possible that something along those lines could be tried again. The accomplishments, I think, were many and have been enjoyed by Winnipeg citizens and Manitobans right from the bottom of the lake, in fact right through to St. Norbert, a rather extensive area that was developed co-operatively over a number of years.

Another area, Madam Deputy Speaker, that we are interested in discussing further is the continuation of the role of the city in developing development by-laws for the airport. Much has been said, of course, about The Pines. I would not want to repeat that today, but even without The Pines, our policy, I think, in the New Democratic Party, is to move towards provincial planning and standards for airports in all parts of Manitoba. Not all provinces do that. I am well aware of that, but we are aware that the province of Alberta, in particular, has been quite successful in developing provincial standards and provincial zoning standards for all municipal airports, and I think that is the kind of legislation we would like to look at because, partly for environmental concerns, partly for consistency, but also, of course, for safety.

In the case of Winnipeg, for the purposes of maintaining a very important economic role that the international airport has to play, the international airport plays an important role in the economy of both the city and the province. I do not think we should be leaving things to a relatively small group, which is what City Council will become, and there should be a much broader concern I think for the safety of passengers, for the safety of citizens and for maintaining the attractiveness, the availability of the international airport for international trade and for national commerce.

So again, Madam Deputy Speaker, it is the principle that we want to look at. We are not sure that this is the way we want to go. We want to listen to the City of Winnipeg and to the public on this, and believe that in terms of airport planning and

development by-laws we should have a larger provincial plan for Manitoba.

\* (1640)

Our third area of concern, Madam Deputy Speaker, has to do with the new appeal board mechanism which is being put in place by this new bill. What this proposes is that private citizens decide on major items of development, and I know that City Council is very concerned that there are cost implications for this. I know that city councillors spend a great deal of time dealing with zoning applications and dealing with variances and the by-laws connected with that. Many of them I think perhaps do not resent it, but certainly see that it takes up an inordinate amount of time of the time that they have.

I know that there are varieties of opinion on this new proposal at City Council, so I look forward to what we should be hearing from individual city councillors, from the city administration and perhaps even from the mayor on this.

I think the principle that we would want to follow in this, Madam Deputy Speaker, is that we maintain the principle of political responsibility for decisions and that we do not hand over to appointed citizens, because remember that this group of three or panels of three will essentially be appointed by a group of eight. What we are doing is essentially narrowing the number of people and the involvement of citizens, it seems to me, the broad citizenry in issues of importance to neighbourhoods and communities.

We would like to ensure that City Council and councillors individually be accountable and visible for the decisions that they are taking, that these should not be handed over to an outside unelected board. We recognize that there is a great deal of conflict perhaps sometimes at City Council over such issues, that it might be advisable in some cases to have a reference board for advice on certain types of zoning changes or variance changes.

The ultimate authority, we believe, should be political and it should be from elected councillors. Again, we look forward to discussing that with the mayor, with the City Council and to hear their experience on that and to see what kind of proposal would be best for the majority of citizens in Winnipeg.

I think, Madam Deputy Speaker, one of the problems that we have generally with this bill is that

it does not add to the power of community committees, that they seem to be taken out of a number of the stages that perhaps they were involved in before, that the proposals of the Cherniack committee had for the expansion of the powers of community committees are not enclosed within this bill, that even the public hearings, many of which have been added to the process for development and zoning changes, those public hearings in fact can be limited by the bylaws and by the powers that are given under this act. We would like to ensure that reasonable time, reasonable allowances are given in those hearings, so there may be some changes that we can make in the act there to ensure that even though the minister is not prepared to expand the role of community committees, citizens are not put off at least in the hearing process.

It is a complicated and extensive bill, Madam Deputy Speaker, and there certainly are some clarifications of some areas that we would like to see. We do have some major differences in principle. One of the areas, it seems to me, we would like to discuss both with the minister and with the presenters is what seems to be—I perhaps can only assume that it is an accidental omission, but hard to tell. It certainly seems to be a significant one for the community and one that we would like to be quite specific about.

Some parts of this act give the city the option of whether or not to post the yellow signs, as they are known colloquially, advising communities of changes of small or large magnitude in zoning or variance or new terms for it in the act changes. It says that they have the option; it makes it permissive. One of the things we are concerned about is that it should not be enough to publish in newspapers. We believe that the council should require the posting of notices as they have done in the past for certain types of changes, but for all changes we would like to ensure that those notices are passed.

This is where the public usually gets its information from, the posting of signs in the neighbourhood. We think it should be maintained to give ample opportunity for the community and individuals to make their presentations and to consider the impact on their own lives. This is the level of local government which we believe is the most important. We want to facilitate the participation of people in neighbourhoods in all

aspects of their community life, and we believe this is one element of it. We would like to ensure that this is not an omission and that some changes be made in that area. Surely, it seems to me, Madam Deputy Speaker, this government of north-end values would not want to take away from the citizens of Winnipeg a kind of neighbourhood control and neighbourhood alert that they have had in the posting of these yellow signs before.

It is, again, as I suggested, a significant bill. Several areas, several principles, of which seem to me at the moment to be taking us down paths that we do not want to go—we are concerned also by some of the omissions. We are concerned that the community committees have not been given greater power in this bill, particularly, again, when you see it as a companion piece to Bill 68 which reduces the number of elected officials, makes them responsible to much larger numbers of people and reduces the opportunity for citizen participation in the affairs of local government.

We would have looked in this bill for an enhancement of the role of community committees. We would particularly like to have expanded the role of community committees in land use planning. We would like to have seen them been able to initiate local development plans, as our own white paper as government suggested a number of years ago.

We want to ensure the greatest participation and access to knowledge. We want to ensure that citizens are aware of the changes coming in their neighbourhoods, that they have reasonable time for presentation, and that their access to public hearings, the length of time that they can present for example, is not cut off by the bylaws which are made possible in this bill. We do see that both of those principles may be in some jeopardy, and we do look forward to discussion on this.

On environmental protection, particularly on urban waterways, we would like to see a greater provincial authority. On land use development, particularly in the additional zone as it used to be called, we certainly would have liked to have seen the government move in this act, given them an opportunity to take some leadership which so far they seem reluctant to do.

I well understand that the minister does have a regional committee which does meet, but the push, the urgency, for what is in fact becoming I think one of the critical areas of Winnipeg development, this

is that extra urban, that commuter development zone which is growing so rapidly and which requires, it seems to me, some very significant leadership on the part of the provincial government.

So there are omissions as far as we are concerned. We would have looked at this stage in the history of Winnipeg, the development of Winnipeg, for more emphasis upon community committees and for an enhancement of the democracy which we feel is being lost by Bill 68.

I look forward, Madam Deputy Speaker, to representation from citizens, from councillors, perhaps from the mayor, and we look forward perhaps to some amendments that may come from that process. We are certainly willing to see this go to committee now.

**Mr. James Carr (Crescentwood):** Madam Deputy Speaker, I listened with interest as always to my friend the member for Wolseley (Ms. Friesen) on this bill, and she talks about looking forward, hearing from the mayor and members of City Council on Bill 35.

Bill 35 is the nuts and bolts of the way the City of Winnipeg is governed, and the City of Winnipeg has scheduled a meeting to discuss the bill on July 31. Well, let me just consult my watch, I think today is somewhere before July 31, so is tonight when committee will be called. We do not know who will be representing the City of Winnipeg to discuss the City of Winnipeg position, because there is not a City of Winnipeg position as far as we can discern.

If there is a City of Winnipeg position, we want to know if it has been communicated to the Minister of Urban Affairs (Mr. Ernst). The Minister of Urban Affairs is shaking his head.

So here we are in the Manitoba Legislature debating the administrative, political, bureaucratic mechanics of how the City of Winnipeg does its business, and we do not know the position of the City of Winnipeg.

\* (1650)

This is an absurd situation. This borders on the bizarre. Yet, we could have in a number of days a major piece of legislation passed by us on Broadway, and we do not know the position of the City of Winnipeg.

You know, Madam Deputy Speaker, I have now been in the House something over three years and

I have never been accused of being speechless before, but I think this is the closest I have come.

So why are we in this kind of a box? Well, let me start with the question, who should be making these decisions in the first place? Why is it that members of the Legislature are going to be debating the nuts and bolts of a very complex bill in absence from a co-ordinated position, nay, any position from the City of Winnipeg on how the City of Winnipeg should be governed? Well, I do not know.

The Minister of Justice (Mr. McCrae), the member for Wolseley (Ms. Friesen) and others have been sitting on a Constitutional Task Force for the last number of months. We went through a public process, and we listened to some 250 Manitobans personally and then several dozen more through written presentations, and not one member of the City of Winnipeg council nor the mayor came to the task force to argue that the City of Winnipeg should have any constitutional say over how they are governed. So we have these two things happening at the same time. No one from the city is arguing that they should have a say, and the city does not have an opinion. We are supposed to stand up in the Legislature today and listen to presentations tonight and go clause by clause tomorrow and pass the Charter for the City of Winnipeg.

Needless to say, Madam Deputy Speaker, the Liberal Party is going to wait to hear from the public from whatever councillors from the City of Winnipeg decide to show up at committee to express whatever co-ordinated position they do or they do not have before we decide in our wisdom how the city should be governed. That is not to say that we do not have opinions. We do. While the bulk of our remarks will be saved for third reading of this bill, I think it is important that we put a few thoughts on the record at this stage.

**Mr. Marcel Laurendeau (St. Norbert):** Now you see why we are cutting the size of council.

**Mr. Carr:** Well, the member for St. Norbert says, now you see why we are cutting the size of council. Yes, Madam Deputy Speaker.

The principal concern that we have with this bill is the suggestion made by the minister about how variance and conditional-use applications should be handled. We have determined through discussions with a number of members of council, and indeed we have debated at public meetings, the amount of time that members of council spend in community

committee debating conditional use and variance applications.

Some members of council tell us that as much as 85 percent of these applications are routine, not controversial and are approved. Of these, it takes about 50 percent or more of the community committee's time. Well, Madam Deputy Speaker, am I allowed to say that you are nodding? Oh, I am not allowed to say that the Chair is nodding. I believe the Chair has some experience in this regard.

So the community committees which are really designed to look after matters of planning, of local interest which are consistent with city-wide planning, are spending the majority of its time on conditional use and variance applications, most of which are routine. Is this why we elect members to City Council? I am going to get into that question in more detail, Madam Deputy Speaker, when we get to the debate on Bill 68 which immediately follows this one.

Madam Deputy Speaker, we object in principle to give the power of the final word on zoning decisions, conditional-use decisions, variance applications, to citizen-appointed panels. Does it not make more sense, rhetorically I ask through you to the minister, for the political people to have the final say? If it is necessary to devise a system whereby the 85 percent of these applications which are noncontroversial should be decided by staff, by the administration of the City of Winnipeg, or perhaps by a panel of appointed citizens. Then for the controversial ones, it should go to the politicians to make a final decision, rather than the other way around, which is really democracy on its head, which is to argue that you ought to have the final decision with citizen-appointed members who can in fact overturn the politicians. That does not make any sense. In principle, we believe that is wrong. We will wait to hear explanations from the minister at committee to see if there is something that we have missed.

The other major interest, of course, is the way waterways are handled. To the credit of my colleague from St. James, there were some amendments passed to The City of Winnipeg Act about a year and a half or so ago that recognized that there was a legitimate provincial interest in regulating our waterways and there were some important amendments passed. This bill reverses

those decisions, and we think that is a step backward.

Madam Deputy Speaker, there are many more words to be spoken on the subject, but we are not going to have the time to do it today. We will save the bulk of our remarks for third reading, but hopefully we will have some better idea of where the City of Winnipeg stands on probably the most important piece of legislation that affects the governance of this city in a long, long time. We look forward to presentations at committee tonight and also look forward to joining the debate with the minister at third reading.

Thank you, Madam Deputy Speaker.

**Madam Deputy Speaker:** The honourable Minister of Urban Affairs, to close debate.

**Hon. Jim Ernst (Minister of Urban Affairs):** Madam Deputy Speaker, to not prolong the matter and to get on with the process of consideration of this legislation, I commend it to the House and look forward to discussion at committee this evening.

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

The question before the House is second reading of Bill 35, on the proposed motion of the honourable Minister of Urban Affairs, The City of Winnipeg Amendment Act.

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

**An Honourable Member:** Agreed.

**Madam Deputy Speaker:** Agreed and so ordered.

### Committee Change

**Mr. Edward Helwer (Gimli):** Madam Deputy Speaker, I move, seconded by the member for Turtle Mountain (Mr. Rose), that the composition of the Standing Committee on Law Amendments be amended as follows: the member for Assiniboia (Mrs. McIntosh) for the member for Sturgeon Creek (Mr. McAlpine).

**Madam Deputy Speaker:** Agreed?

**An Honourable Member:** Agreed.

### Bill 68—The City of Winnipeg Amendment Act (2)

**Madam Deputy Speaker:** To resume debate, Bill 68 (The City of Winnipeg Amendment Act (2)); Lo ino

2 modifiant la Loi sur la Ville de Winnipeg), standing in the name of the honourable member for Woleseley.

**Ms. Jean Friesen (Woleseley):** Madam Deputy Speaker, I think I have five minutes left on this.

**Madam Deputy Speaker:** That is accurate. You have five minutes remaining.

**Ms. Friesen:** Okay. Unfortunately, Madam Deputy Speaker, that is not going to give me time to talk about some of the things I would like to have talked about in Bill 68, but on third reading perhaps we will have that opportunity.

I particularly wanted to talk about the loss of the community committee, which this bill takes Winnipeg from six community committees to five and, also, to the changes in the role of the mayor that are proposed by this bill, but I will have to leave that until a later time.

I believe when I last finished we were talking, or at least I was talking, about the minister's or the department's shoddy research, which tries to present the idea, both in the Ross committee and in the minister's own material, that Winnipeg is an anomaly, that in fact it has much smaller wards than everywhere else.

Of course, Madam Deputy Speaker, his numbers are wrong or at least it is misleading, and I have tabled amendments. I have tabled an alternative version, which indicates very clearly that Winnipeg is exactly the same at 29 members with constituencies of 21,000 as Hamilton, Ottawa, London, Etobicoke and many of the cities to the east of us. In fact, if we move to constituencies of 41,000, the only places that we will be like in Canada will be Vancouver, Edmonton and Calgary. Calgary, in fact, is about to change its numbers so that it has much smaller ones. Edmonton is a large and fast-growing city as is Vancouver, and I think that is probably part of the reason, not the only reason, part of the reason, that those constituencies have become so large.

So, Madam Deputy Speaker, Winnipeg is not an anomaly. It is very comparable to many other areas of Canada, and in fact some of those areas, particularly the ones in Ontario, have regional government as well. To argue in fact that 29 members is too much is certainly to argue against the general Canadian experience.

\* (1700)

It does matter, Madam Deputy Speaker. Winnipeg is 60 percent of the province. It has two-thirds of the jobs of the province, and the focus for the most dramatic changes which are facing Manitoba, the migration of aboriginal peoples, the immigration of many peoples from around the world, in fact, that have increased in the last five or 10 years, all of these are facing problems in the city of Winnipeg. We face growing unemployment in the city of Winnipeg, in the urban core, and what we are seeing, in fact, is the city and the province walking away from the social issues that it should confront in the inner city of Winnipeg.

One of the things that concerns me very much about the reduction in representation in Winnipeg is that the inner city, those people who have the least access to government and to representation, are going to be deprived even more of the kind of local representation which they have come to rely upon and come to accept.

It seems that what this bill is doing is turning the world on its head, because what is happening here is that the Winnipeg MLA, with a ward of 21,000 people, is going to have a much more detailed, intimate knowledge, closer connection to his or her constituents than is the member of the Winnipeg City Council. So we are going to have, in fact, the local level of government being much, much more distant than we are from constituents, and it seems to me that is irrational. At the very basic level it is irrational, but it also turns the world of democracy on its head.

So I am disappointed, Madam Deputy Speaker, that the Liberal Party has chosen to support this. It seems to me, as I suggested at the beginning of my speech, that this is part of a corporate agenda, the idea that Winnipeg can be run by a simple board of directors and that, in fact, that is the kind of representation Winnipeggers want. I do not think it is. If you look at the kind of opposition which has been expressed, the citizens of Winnipeg who presented to the Eldon Ross committee have opposed this reduction. The City Council even this morning in its debate opposed this reduction. The Institute of Urban Studies opposed it. The Winnipeg Free Press opposed it. Winnipeg Into the Nineties, the new reform coalition—the only ones who are for it are those people who represent the corporate agenda of this province, and that is the Conservative Party and the Liberal Party.

There is a clear difference of opinion, and I want to ensure that the kind of government which we have in Manitoba is a government of neighbourhoods, a government of local democracy, the kind of local government that Winnipeggers have had, I believe, since the 1830s, that they have had since the old parishes of Red River, and that is the kind of vision that we would have for the city of Winnipeg.

**Mr. James Carr (Crescentwood):** Madam Deputy Speaker, I am pleased to participate in this very important debate on the political organization of Winnipeg City Council. You know, I was listening very carefully to the comments of the member for Wolseley (Ms. Friesen). She said repeatedly, both today and when she began her remarks yesterday, that this legislation is legislation which plays to the corporate agenda and is only supported by those who are interested in following the corporate agenda.

With respect, Madam Deputy Speaker, let me contradict her right off the bat. I support this legislation, and I do not consider myself to be a follower of the corporate agenda. More than that, while she goes through a litany of people who are opposed to the reduction of City Council, she leaves out only one group of people, and that group of people is the vast majority of the citizens of Winnipeg.

If the member for Wolseley and other members of the New Democratic Party would stay in touch with their electors, either through sending out of surveys or literature or phone calls or knocking on doors, I think they would learn quickly that this really is the people's agenda, not the corporate agenda. I think it is important that the remarks of the member for Wolseley not be allowed to stay on the record without rebuttal, that there are those who have thought about this issue carefully for a long time, including the Liberal caucus in Manitoba.

As Liberals, we ask the question, how can we improve our system of government? It is surprising that the New Democratic Party, which often prides itself on being the party of reform, is really the conservative party on this issue because they are defending the status quo. If they are serving the status quo, then the burden is on those people to defend the system as we currently know it.

Are the New Democratic Party members, for example, satisfied with the level of taxation paid by the people in the city of Winnipeg? Do they believe



that the councillors and the mayor who run this city are sufficiently accountable to the people who elect them? Do they believe that the city has been properly planned and co-ordinated? If the answer to all of those questions and many more is yes, then we can entertain the arguments that the status quo is worth preserving.

Surely, members of the New Democratic Party who stay in touch with their constituents will know that the citizens of Winnipeg are not happy with both the level of service and—well, chirping from the upper benches, the member for Transcona (Mr. Reid) says, is this going to reduce taxes? I think there is real potential that, indeed, this set of initiatives will reduce taxes.

We have heard members of the New Democratic Party say over and over again that they are very critical of the urban sprawl that has occurred in the city of Winnipeg, that the infrastructure has been spread out to the suburbs at the expense of the inner city and, as a result, everyone is paying higher taxes.

Madam Deputy Speaker, it was the status quo; it was the current system that is being defended by the New Democratic Party which has created urban sprawl. It is the current system of government in the city of Winnipeg which has created a whole host of problems in co-ordinating some kind of inner-city revitalization, yet the New Democratic Party defends 29 councillors.

I listened very carefully, I truly did, to my friend and colleague the member for Wolseley (Ms. Friesen) as to her recipe for improving the governance of City Hall. Frankly, I was in the Chamber for all of her words and I must have missed it. While she was criticizing the elements of reform contained in this bill, I heard no positive agenda from the New Democratic Party that would meet the issue of urban sprawl, that would meet the issue of level of service, or that would meet the issue of taxation paid by the people who live in the city of Winnipeg.

The NDP says, well, it is good for real estate developers. You know, there is a lot of rhetoric that goes on in this Chamber, and I suppose those of us in the Liberal Party from time to time may be guilty of a little bit of rhetoric ourselves. Maybe that is the nature of the business that we are in, but the socialist leader of the New Democratic Party in British Columbia was mayor of the City of Vancouver for years.

Does the City of Vancouver have 25 councillors, 28? No, the City of Vancouver has 10 councillors, and the people of Vancouver did not decide, in their wisdom, because of a small council that they were going to elect pro real estate developers. No, they elected the man who went on to become the leader of the New Democratic Party of British Columbia—(interjection)—who may well, as my colleague from Burrows (Mr. Martindale) says, become future premier of British Columbia.

\* (1710)

How about Jan Reimer, the very progressive woman who is mayor of the City of Edmonton? Is the City of Edmonton a council of 20, 25 or 30? No, a council of 12 for the City of Edmonton.

I do not think that the member for Wolseley (Ms. Friesen) can point to one municipal jurisdiction in Canada or indeed the United States that has more councillors than Winnipeg. If that was a system that created the kind of government of which the city's citizens of Winnipeg were proud, that was accountable, that engendered a level of service that was compatible with the level of taxation, then my friends from the New Democratic Party might have an argument, but I did not hear those arguments. So we have to wonder why the New Democratic Party is being so conservative on this issue. Defending the status quo, defending the urban sprawl that they so decry—I do not know. That has not been made clear to me yet.

I must say that the process of creating this legislation was not made in heaven, Madam Deputy Speaker, and the minister of Urban Affairs (Mr. Ernst) who may have enjoyed the first 15 minutes of the speech may not enjoy the next five or so.

I remember very clearly that we had a press conference in our caucus room to indicate our party's position on the Eldon Ross committee, to the committee of friends of the government—let us be kind—and this committee was given the mandate of drawing boundaries for the City of Winnipeg.

We thought it was absurd and we pointed it out at the press conference, and it was reported in the paper. I was tuning in to the television that night and watching the news, and I heard a commentator report that the response of the Minister of Urban Affairs (Mr. Ernst) was: The only reason that the Liberals called a press conference to discuss this issue was so that the member for Crescentwood could get his mug on television.

(Mr. Speaker in the Chair)

**An Honourable Member:** Did you say that, Jim?

**Mr. Carr:** Yes, and he is nodding in approval. The only reason the Liberal Party brought up the issue of who should be drawing boundaries for the City of Winnipeg was because I wanted to get my face, my mug I think he said, on television.

Well, what did he do several weeks later? He put his mug on television and said: The Liberal Party was right after all. Oops, I goofed.

No, he did not say, oops, I goofed. He said, oops, I was wrong, and decided it was not appropriate after all for the politically appointed committee, the Eldon Ross committee, to decide where the boundaries should be drawn.

Well, it is not as if we did not have some precedent, both in this Legislature and through an act of this Legislature, as it imposes systems on the City on Winnipeg for a better way. The better way, Mr. Speaker, is that the president of the University of Winnipeg, the Chief Electoral Officer for the City of Winnipeg and the Chief Justice of the Court of Queen's Bench, unpaid, mind you, and who are inarguably outside political influence, should decide where the boundaries should be drawn.

Well, to the minister's credit, he flip-flopped on the issue, and we thank him for that. He did the right thing and has delegated back to the Wards Boundary Commission as established by The City of Winnipeg Act to do that very important thing not for remuneration. The Elder Ross committee was paid some money. We could have saved the taxpayers of the city of Winnipeg a few dollars, not a lot of dollars, but there is the principle involved that is very important.

We hear from the member for Wolseley (Ms. Friesen) and others that a smaller council is going to mean that there is too large an area for people to represent. That is a legitimate argument and it has to be addressed. The first question we have to ask, and the member for Wolseley did not address this issue as far as I can recall, is: What is the role of a member of City Council? Why are we electing him? What are the values and the interests that these people are there to uphold and protect?

If you talk to many members of City Council, they will tell you that a substantial number of calls they receive relate to matters of garbage collection, they relate to matters of snow removal, street lamps, back lanes, and these are all important. I am not

diminishing or undervaluing the importance of these issues to the citizens of Winnipeg, but we have a very well-paid civic bureaucracy—some may say too well-paid, but this is not the forum to debate that issue—that is there to serve exactly that kind of citizen's inquiry.

Now, if the well-paid people at City Hall do not respond or if they are unable or unwilling to answer the legitimate inquiries of the people who pay the taxes in the city, then they ought to go to the political level, they ought to call the councillor and they ought to say: We are getting bad service for our tax dollar from the bureaucracy of the City of Winnipeg, and we want you to make sure that these people are doing their jobs properly. The councillor, I do not think, should be the first one to hear the complaint over and over again about those kinds of issues.

I made reference in my remarks on Bill 35 that over half of the time of community committees is spent on conditional use and variance applications. Do we not want our municipal politicians to plan and administer the entire city of Winnipeg? Yes, they have an interest in serving their communities, and that does not change with the legislation that is before the House today, but surely if over 50 percent of the time of members of a community committee is spent on issues that most councillors think are better delegated to others, then they would have the time available to deal with area action plans which have been mandated by The City of Winnipeg Act but which have almost never been followed. Do we have an action area plan for the member for Wolseley's (Ms. Friesen) part of Winnipeg? I do not think so. Well, why do we not? How are councillors spending their valuable time?

Mr. Speaker, you know the governance of the City of Winnipeg is no small undertaking, and we have entrusted the governance of this city to people who are part time. Many of them have other jobs. The administration or the policy formulation for our city is not something which preoccupies them; they do it along with other things. We have to expect in the 1990s that the job of governing a metropolitan area such as Winnipeg requires the full attention of the people who were elected for that job, and that their first responsibility is to plan and to set policy for this city as a whole, not for simply one part of the city.

I ask, rhetorically, the member for Wolseley (Ms. Friesen) how much of her time does she spend on legislation, on issues that affect the whole province in her role as critic, on formulating policy within her

caucus that affect the lives of a million Manitobans? I would expect that a great deal of her time is, and if she is not preoccupied with it, then at least she takes it very seriously. I know, for example, that she read this bill verbatim and she took her responsibility as Urban Affairs critic very seriously in order to digest and understand the consequences and the implications of this bill, not only to the people who elected her from Wolseley, but to all the citizens of Winnipeg who are affected by it.

I had the onerous responsibility, I might say, of trying to understand and digest a bill that was presented by the Minister of Energy and Mines (Mr. Neufeld). It was my responsibility as a member of the Legislature, as a legislator, to come to terms with a very complex and, largely, a good piece of legislation. While that affected the people of Crescentwood, it also affected the people of Thompson, Killamey, Lynn Lake and Sherridon and communities right across the province represented by members in this Legislature.

\* (1720)

So my responsibility as a legislator is province-wide not only to the people of Crescentwood, who in their wisdom put their confidence in me at election time, and to whom I will be responsible when we next go to the people. I cannot neglect or ignore those people—I do so at my peril—but I am a member of the Legislative Assembly of the Province of Manitoba and my responsibilities are province-wide.

I want the responsibilities of those who serve us on City Council to be city-wide, and I do not want the people of Transcona against the people of Wolseley against the people of River Heights against the people of the North End on issues that affect all of the citizens of Winnipeg. That is wrong. That leads to poor decision making. It does not lead to collegial decision making. That is another major reason why we believe that the reduction in the size of City Council is in the interests of all the citizens of Winnipeg.

We look at community committees. We see that there is a reduction of community committees from six to five, and this also gives rise to the issue of representation of the inner city. If you were to listen to the remarks of the member for Wolseley (Ms. Friesen), you would think that Liberals do not care about people who live in the inner city. Well, that is balderdash!

I represented the people in the inner city in the first two and a half years that I was in this Legislature, from the constituency of Fort Rouge. I had all of downtown Winnipeg for which I was responsible, Mr. Speaker. How can the member for Wolseley accuse the Liberal Party of not caring about the inner city of Winnipeg?

Do we not have a system of representation by population? Whether it is for the Parliament—(interjection)—Well, you know, I am glad that the Leader of the Opposition (Mr. Doer) is here talking about the Liberal/Tory agenda, and I will remind him of what I said. I can tell the member for Concordia (Mr. Doer) that the wind is blowing agin 'im on this issue.

**Mr. Gary Doer (Leader of the Opposition):** I understand that.

**Mr. Carr:** He understands that.

**Mr. Doer:** They were on the Japanese-Canadians, the War Measures Act.

**Mr. Carr:** We will not get into that. I will leave that one alone. I will leave that interjection by the Leader of the Opposition alone.

Whether it is an election to the Parliament of Canada or the Legislative Assembly of Manitoba or the council of the city of Winnipeg, there is the principle of representation by population. The relative representation for people from the inner city of Winnipeg is the same with a smaller council as it is for a larger council, if you believe in the principle of representation by population.

That brings me to an idea that the Minister of Urban Affairs (Mr. Ernst) was floating for quite a while. It floated right to the bottom of the Red River, eventually, and that was the issue of the pie-shaped ward. Really, it is not the pie-shaped ward, it is the pie-piece-shaped ward, because the concept was that you take a slice of the inner city, moving outward to the suburbs, and give every member of council responsibility for a little bit of the inner city.

We are all politicians in this Chamber and the Minister of Northern Affairs (Mr. Downey) knows, probably above all others in this House, that politicians are in the business of listening to a majority of those who elect them. If you take a little slice of that pie shape and give all members of City Council a little bit of the inner city and a lot of the suburb, you are going to find that the decisions are going to be weighted towards the majority in the suburbs probably 10 times out of 10.

Representations have shown, at least to the minister's satisfaction, that is likely unless there are reasons I do not know of. He deep-sixed the idea and it is a good thing that he did.

The other issue that was facing the minister, and faces all of us in this House, is whether or not there ought to be single-member wards or multimember wards. We believe that the minister, again, is on the right track because we agree with some of the comments of the member for Wolseley (Ms. Friesen), that there ought to be a recognition and an association between the people who elect the councillor and the councillor him or herself.

If you have multimember wards, then who do you call? Do you call councillor A or councillor B or councillor C? There could be an awful lot of finger pointing. It is very difficult to know exactly where the accountability rests, and it is very difficult for the people to be able to relate specifically to their political representative.

Here again, the minister has picked up on suggestions that were made during the process of the Eldon Ross report, and that is another reason why we do not find any difficulty in supporting the thrust and the principle of this bill.

You know, the NDP argument that defends the status quo, that defends 29 councillors, that defends extraordinary levels of taxation, that defends urban sprawl, the New Democratic Party position on these issues is a little strange, as I have tried to argue. Why is it necessarily so that fewer councillors means that it is going to be more difficult to elect progressive people to City Hall? I do not understand why it is going to be impossible for progressives to be elected to City Hall. I think that there is a wave of municipal reform in Winnipeg, and I think that the people are going to elect progressive councillors. I think there is a reaction to the old way of doing business at City Hall, the old gang at City Hall, and there is a reaction to it. That reaction is a breath of fresh air.

You know, it is a funny thing. They talk about developers controlling City Hall, Mr. Speaker. There was a subdivision approved in the northeastern part of this city only a few weeks ago that was not even debated on the floor of council. There were absolutely no questions asked by progressive members or others about the effect of the subdivision on urban sprawl, on the infrastructure of the city, on taxes that people would

have to pay. The 29 councillors, many of whom are progressives at City Hall, did not ask one question, and the subdivision passed without debate. I think that would be much less likely to happen for a City Council that was accountable and that had control of planning issues for the whole city which was their primary responsibility.

There is one area of reform that the minister is going to have to address, and that is the issue of electoral finance. Because there will be more of the electorate to serve, we want to make sure that people without the means can still run for the council of the City of Winnipeg. We know that there are certain provisions in the act which can effect that. We also know that the city itself has power, through bylaw, to cap the amount of money allowed per voter, and that is important, but I want the minister to consider other and more innovative ways that the province can introduce that would make it more possible.

We are thinking here of the possibility of tax credits, and we are thinking of other creative ways that we will want to discuss with the minister at committee, because there is the potential for excluding those without means. Now that does not necessarily mean that they are going to lose, because we know from examining the statistics given to us by Elections Manitoba that it is not always he or she who spends the most who wins. As a matter of fact, we had some examples in 1988, some of our own members who spent hardly a farthing who got elected. But there are many progressive people now serving City Hall who, when running again, may be faced with a financial crunch. I think it is incumbent upon the minister to take those objections very seriously, and I ask him to do that as we move into committee.

Mr. Speaker, this is an interesting debate. It is a debate that really does signal a change in the way we govern ourselves in the city of Winnipeg. There are many issues here. There are many issues that will have to be aired more completely. I also should note that this act gives some substantial power to the mayor. -(interjection)- Well, the member for Concordia, the Leader of the Opposition (Mr. Doer), says that it makes sense to reduce the number of people who sit in this House. You know, the council of the City of Winnipeg even passed a resolution that promoted that idea. As a matter of fact, I think they wanted to reduce the number of MLAs—

**Mr. Doer:** Intellectually consistent.

**Mr. Carr:** It is not consistent.

**Mr. Doer:** Intellectual.

**Mr. Carr:** It is not intellectually consistent, because—the member for Concordia may have missed that. Our responsibilities as members of the Legislature are province-wide. -(interjection)- I am not going to get into a side show with the Leader of the Opposition. He knows our position on the issue. We know his position on the issue. We will let the people decide on this issue.

\* (1730)

Just in summary, Mr. Speaker, we do not like very much the way the Minister of Urban Affairs (Mr. Ernst) went about this. It is not the way we would have gone about it. We would not have appointed a partisan committee. We would not have given a partisan committee the responsibility of drawing the boundaries.

The end result of all that has happened before is a bill that we can support in the Liberal Party. It is a bill, I believe, that a majority of the citizens of Winnipeg can support, and it is for that reason that we will vote in favour of this legislation. We look forward to comments that will be made by the citizens of Winnipeg in committee. Thank you.

### Committee Changes

**Mr. George Hickey (Point Douglas):** Mr. Speaker, I would like to rescind the change I made today for July 17, 1991, at 7 p.m. for Municipal Affairs. That was Selkirk (Mr. Dewar) for Swan River (Ms. Wowchuk).

I move, seconded by the member for Burrows (Mr. Martindale), that the composition of the Standing Committee on Municipal Affairs be amended as follows: Broadway (Mr. Santos) for Swan River (Ms. Wowchuk) for Wednesday, July 17, 1991, for 7 p.m.

I move, seconded by the member for Burrows, that the composition of the Standing Committee on Municipal Affairs be amended as follows: Elmwood (Mr. Maloway) for Broadway (Mr. Santos) for Thursday, July 18, 1991, 10 a.m.

I move, seconded by the member for Burrows, that the composition of the Standing Committee on Law Amendments be amended as follows: Point Douglas (Mr. Hickey) for St. Johns (Ms. Wasylycia-Leis), Brandon East (Mr. Leonard

Evans) for Concordia (Mr. Doer), for Thursday, July 18, 1991, at 10 a.m.

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

\* \* \*

**Mr. Conrad Santos (Broadway):** Mr. Speaker, as the MLA for Broadway I represent the core area of the city. I rise in debate as a member of the official opposition against The City of Winnipeg Amendment Act (2), otherwise known as Bill 68.

The honourable member for Crescentwood (Mr. Carr) stated that the official opposition is defending the status quo. That is only on the surface. That is only in appearances. What the NDP is defending is the democratic openness and greater citizen participation in the affairs of the city.

Mr. Speaker, I am opposed, we are opposed, to The City of Winnipeg Amendment Act (2) because primarily it is antidemocratic. It is antidemocratic because it reduces the number of community committees from six to five. It is antidemocratic because it reduces the number of councillors from 29 to 15. It is antidemocratic because it abolishes the representation of the community committees and the City Council itself in the Executive Policy Committee.

Why is this antidemocratic? By reducing the number of community committees from six to five. What are the consequences? What are the results that will follow from any reduction in the number of community committees, in the number of councillors and in the number of opportunities for representation in the Executive Policy Committee?

By reducing the number of community committees from six to five, in effect, it is also cutting and reducing citizens' access and participation to decision making in the city level of government. By reducing the community committee number from six to five, it means that there will be less opportunity for citizens' input and providing information to the policy-making process of the various levels and various committees at the city level of government. Also, it will be cutting, in effect, the opportunity for the citizens to express their sentiments and make their contributions about the divisions of the future of the city and how it will develop in due course of time.

It is also antidemocratic because it reduces the number of councillors from 29 to 15. If we trace and look back historically on historical development in

the long term and the pattern of development that had been taking place with respect to the size of the City Council, let us look back prior to 1972. We then had a metro government. In addition, there were 12 different units of municipalities and cities. In 1972, the number of community committees were established at 30 to take care of the 12 different municipalities as well as metro government, and there were 50 councillors in 1972. In 1974, there was some kind of trimming. The number of community committees was reduced to 12.

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

**Mr. Santos:** The government at the time.

In 1977, the number of community committees was further reduced to six by the government then in power, and the number of councillors was reduced to 29, and in the present year, 1991, the number of community committees will further be reduced from six to five, and the number of councillors will probably be reduced from 29 to 15.

Now, let us look at the general pattern. There is a gradual diminution of citizens' participation. There is a gradual emasculation of democracy and a consolidation of the decisional-making power in the hands of fewer and fewer members of the city government. This is a gradual emasculation of citizens' participation and the operation of what has been known in social science as the iron law of oligarchy, whereby power to govern, power to decide, is residing in fewer and fewer hands.

If we look at the functional role of these various units at the city level of government, initially the community committees were supposed to have supervision over the delivery of city services at all levels, all departments at the city level of government. Initially, they are supposed to contribute to policy making in matters of policy processes, in matters of program, in matters of budgets. They are supposed to have some say in matters of planning, in zoning and in subdivision.

Then with the gradual scope of the number, there is also a gradual restriction of the scope of the power of the community committees. They were never given any budget to start with, to undertake all these responsibilities. There was never any support from City Council to the community committees, so what they end up with in 1974, they end up with having some say only in a very limited sphere of city activities like libraries, parks and recreation, no budget for community committees, no authority for

community committees, no budgetary power, no budgetary allocation, no council support of any kind.

The reduction of the number of councillors from 29 to 15, what will be the effect of this in the matter of the governance of the City of Winnipeg? It means that there will be a reduction again in participatory democracy. There will be limited access to the elected councillors because of the increase in the number of constituents that its councillor will be representing.

\* (1740)

Let us take a look at some statistics here. It is estimated that as of March 20, 1990, there were 613,928 people approximately in the entire city, with 29 councillors. If you divide that number of population by 29, there will be approximately 22,000 more or less constituents per councillor, whereas if there were only 15, there will be approximately 42,000 people represented by each councillor.

What does that mean? By increasing the number of people in the constituency or in the ward of the city, it means that there will be less and less opportunity for every individual citizen to get in touch with his councillor. It means there will be limited access to the councillor, because there were just so many of these constituents. Instead of representing only 21,000, the councillor will be representing 41,000 and, by definition, there will be less opportunity for every constituent to have access to his own council member.

Moreover, the effect of this will be that there will be diffused accountability. Why? Because there will be a heavier caseload per council member. Representing 41,000 instead of 21,000 means that there will be twice as many calls about cases and problems, about garbage collection, about services of the city, about lighting and all other matters of service rendered by the city to its own citizens. There will be a heavier load on every member of the council and, that being so, the load will be difficult—

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

### House Business

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I apologize to the member, but I would like to make an announcement of House business before six o'clock if at all possible. I wonder if the member would allow me to do so. I apologize for interrupting his speech.

**Mr. Speaker:** Okay, that is agreed? Okay.

**Mr. Manness:** Mr. Speaker, I would just like to formally announce now that the Committee on Industrial Relations which has been announced to sit at ten o'clock tomorrow morning to consider Bill 59, I would like to call a further meeting of that committee, that being tomorrow night at seven o'clock, with the will of the House, to continue the consideration of Bill 59.

**Mr. Speaker:** I would like to thank the honourable government House leader.

\* \* \*

**Mr. Santos:** The reduction of the number of councillors will also have some effect on the nature of the electoral process itself. By decreasing the number of seats in the City Council from 29 to 15, which, as we have already explained, means that there will be a wider geographical area of representation, more citizens in the constituency to be represented by a council member. It means that elections will be more expensive in order to participate in the electoral process, and that means that those people who are capable but have no means to finance an election that will cover a wider geographical expanse and a greater number of people will probably be inhibited from participating in the electoral process.

So it makes it more difficult for people without means to have himself aspire for any seat in the City Council and have some say in the governance of his own city. It means, in effect, it will be a government of those who are able and have assets to finance their own election. It will be the rule of the wealthy and the rich, otherwise known as plutocracy.

The third effect of the abolition of representation in the community committee and the abolition of the representation by four councillors in the Executive Policy Committee means that the Executive Policy Committee itself will now be transformed from being a mere co-ordinated body to undertake a smooth decision making process in the city, that the Executive Policy Committee now becomes the gatekeeper of programs and budget, with the probability of its capture by special vested interest groups in the city. There is now a greater probability of the Executive Policy Committee being captive and subservient to some special vested interest groups in the city.

Although efficiency may go up in terms of the speed of decision making because of fewer

members of the Executive Policy Committee, its effectiveness and responsiveness, however, will be diminished because it will no longer be responsible to the people who elected them. It will be accountable and responsible to the leadership of the city level of government.

So what we are actually witnessing here is the gradual emasculation of the democratic process and the cutting down of citizens' participation and the gradual consolidation of power in the hands of fewer and fewer members at the city level of government. This at the broadest level of theory is what is known as the operation of the iron law of oligarchy. What does that mean? What does it mean when you started with a City Council of 100, City Council of 50, 29, then 15, gradually diminishing in terms of decision makers?

(Mr. Marcel Laurendeau, Acting Speaker, in the Chair)

It means what Robert Michels said about the operation of the iron law of oligarchy. It means no matter how democratically they started or initiated, most organizations in our society, even of those who are promoting democracy, as time passes by, those who are elected into positions of power in those organizations will gradually perpetuate themselves in power so that fewer and fewer hands will have some say in the decisional processes that make policy.

As is stated by Michels in his work on political parties, after studying the development of political parties, whether in Europe, he said, and I quote: The majority of human beings, in a condition of eternal tutelage, are predestined by tragic necessity to submit themselves to the dominion of the small minority.

Is that destiny? Of course, it is true that even in a democracy it is impossible for the majority to rule in the sense that they are actually in control of the decisional processes. By definition, the rulers are always fewer in numbers as compared to those who are ruled. The rulers who are few in a democracy are ruling in the name of the majority, in the name of the populace, in the name of the citizens. The greater the number of rulers in proportion to the number of citizens, the more democratic it will be, although by definition democracy will be a little bit slower because there will be more discussions and debates. There will be more conflicts and clash of

opinion, more balancing of interest, but that is the very essence of democracy.

\* (1750)

If you want efficiency, there could be no more efficient kind of government than a government of one, because the government of one will have no problem making a decision, but it will not take into account the interest and the concern of the greater majority of the people, of the citizens in the society.

What we have witnessed here, Mr. Acting Speaker, is the consolidation of the power of city government in a smaller and smaller number of people. This is the consolidation of power in the hands of the city oligarchists. This is undemocratic. This is elitism at its height. This is a manifestation of the theory of elitist politics.

What is this theory of political elites? There is perhaps no more classic statement of that theory than the statement of a politician and theorist by the name of Gaetano Mosca. He stated in his work *The Ruling Class*, and I quote: In all societies two classes appear, a class that rules and a class that is ruled. The first class, always the less numerous, performs all political functions, monopolizes power and enjoys the advantages that power brings; whereas the second, the more numerous class, is directed and controlled by the first, in a manner that is now more or less legal, now more or less arbitrary or violent.

There are two classes according to this theory. The few who rule, the few who monopolize political power, they enjoy all the privileges that power bring. They are in charge, and they control the class that is ruled and serve the ruling class.

Is that what we want for our city? No. The city has developed as a result of the town hall meetings where the people themselves governed themselves. The city has developed as a result of the Greek city polis, where the citizens gather in the marketplace and decide and everyone will have a say as to how the city or the polis should be run. That is democracy.

The closer we are to the self-rule by the people by means of a greater number of councillors, the more democratic it will be and the more it will be responsive to the needs and desires of its own citizens. Thank you, Mr. Acting Speaker.

(Mr. Speaker in the Chair)

**Mr. Speaker:** The honourable Minister of Urban Affairs, to close debate.

**Hon. Jim Ernst (Minister of Urban Affairs):** Mr. Speaker, exercising a great deal of personal restraint, I would recommend the bill to the House and see it proceed to committee.

**Mr. Speaker:** Is the House ready for the question? The question before the House is second reading of Bill 68, The City of Winnipeg Amendment Act (2); Loi no 2 modifiant la Loi sur la Ville de Winnipeg.

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

**Some Honourable Members:** Agreed.

**Some Honourable Members:** No.

**Mr. Speaker:** No? All those in favour of the motion will please say yea. All those opposed will please say nay. In my opinion, the Yeas have it.

**Mr. Doer:** Yeas and Nays.

**Mr. Speaker:** Call in the members.

The question before the House is second reading of Bill 68, The City of Winnipeg Amendment Act (2); Loi no 2 modifiant la Loi sur la Ville de Winnipeg.

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

### Yeas

Carr, Carstairs, Connery, Cummings, Dacquay, Derkach, Downey, Driedger, Ducharme, Edwards, Enns, Ernst, Filmon, Gilleshammer, Helwer, Lamoureux, Laurendeau, Manness, McAlpine, McCrae, McIntosh, Mitchelson, Neufeld, Orchard, Penner, Praznik, Reimer, Render, Rose, Sveinson, Vodrey.

### Nays

Ashton, Barrett, Cerilli, Chomiak, Doer, Dewar, Evans (Brandon East), Friesen, Harper, Hickes, Lathlin, Maloway, Martindale, Plohman, Field, Santos, Storie, Wasylcia-Leis, Wowchuk.

**Mr. Clerk (William Remnant):** Yeas 31, Nays 19.

**Mr. Speaker:** I declare the motion carried.

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



# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, July 17, 1991

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