



Third Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

*Published under the
authority of
The Honourable Louise M. Dacquay
Speaker*



Vol. XLVII No. 29 - 10 a.m., Friday, April 18, 1997

ISSN 0542-5492

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David, Hon.	Riel	P.C.
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PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupert's Island	N.D.P.
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SALE, Tim	Crescentwood	N.D.P.
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TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, April 18, 1997

The House met at 10 a. m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee of Supply

Mr. Ben Sveinson (Chairperson of the section of the Committee of Supply meeting in Room 255): Madam Speaker, the Committee of Supply has adopted a certain resolution, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable member for Turtle Mountain (Mr. Tweed), that the report of the committee be received.

Motion agreed to.

Standing Committee on Public Accounts First Report

Mr. Edward Helwer (Gimli): Madam Speaker, I beg to present the First Report of the Committee on Public Accounts.

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

An Honourable Member: Dispense.

Madam Speaker: Dispense.

Your committee met on Thursday, April 17, 1997, at 10 a.m. in Room 255 of the Legislative Building to consider the Public Accounts, Volumes 1, 2, 3 and 4 for the years ended March 31, 1995, and March 31, 1996, the Report of the Provincial Auditor, Volumes 1, 2, 3 and 4 for the year ended March 31, 1995, the Report of the Provincial Auditor, Volume 1 for the year ended March 31, 1996, and the Provincial Auditor's Report

on Public Accounts and the Operations of the Office of the Provincial Auditor for the year ended March 31, 1996.

Mr. Jon Singleton, Provincial Auditor, and Mr. Norman Ricard, executive director, provided such information as was requested with respect to the Annual Reports and business of the Public Accounts.

Your committee finds that the receipts and expenditures of the monies have been carefully set forth and all monies properly accounted for.

Your committee has considered the Public Accounts, Volumes 1, 2, 3 and 4 for the year ended March 31, 1995, and the Report of the Provincial Auditor, Volumes 1, 2, 3 and 4 for the year ended March 31, 1995, and has adopted the same as presented.

Mr. Helwer: I move, seconded by the member for Turtle Mountain (Mr. Tweed), that the report of the committee be received.

Motion agreed to.

* (1005)

ORAL QUESTION PERIOD

Disaster Assistance Federal Flood Compensation

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, I guess my question is to the Acting Premier. I want to ask a number of questions in light of the Premier's meeting with the Prime Minister yesterday on federal-provincial relations. We are seeing some federal flip-flops on programs vital to Manitobans. We saw yesterday after the Canada Council grants were cut to the ballet school that they were reinstated by the federal minister.

For the past two years the provincial government has been denied compensation, inadequate compensation for flooding across Manitoba municipalities for work that has been done by municipal staff with municipal

equipment. When you look at the situation in the Saguenay region last year in Quebec with the flooding, 90 percent compensation was granted immediately, which I applaud in terms of the role of the federal government for disaster assistance.

I would like to know now from the acting Acting Premier whether we can expect a federal government reversal, a pre-election reversal on this unfair policy on flooding compensation for Manitoba, and will this be announced shortly.

Hon. Glen Cummings (Acting Premier): Madam Speaker, I, like the Leader of the Opposition, firmly believe that this province is owed considerable sums of money from the last disaster assistance program. We have made that case consistently. The Minister of Government Services (Mr. Pitura) has been pushing for resolution of that, and in fact the Premier (Mr. Filmon), I believe, will be providing some significant good news in that area, but that is certainly high on his agenda at the meetings that have been occurring in Ottawa.

Access Programs Funding

Mr. Gary Doer (Leader of the Opposition): In light of the fact that this has been an issue of dispute in this Legislature for some time, I would have hoped that all members of this Legislature could have been informed today if this so-called pre-election news is available. It should be available to all members of this Chamber.

Madam Speaker, we have been raising the issue of Access programs, a program in Manitoba that has trained teachers, nurses, engineers, doctors, social workers, a program that has been cut by the former Tory government and by the existing Tory government. It has gone down from \$15 million to \$6.5 million. People across Canada had peaceful protests about the lack of action and commitment to the Royal Commission on Aboriginal Peoples. One recommendation on page 970 of the report recommends that we reinstate and enhance training programs to train professionals and others in our communities.

Did the Premier (Mr. Filmon) raise the issue of Access with the Prime Minister, and can the acting Acting Premier inform us of whether we will achieve the reinstatement of funding as a first and minimum

step to reinstating some of the programs that are vital for First Nations people across Manitoba?

Hon. Glen Cummings (Acting Premier): Madam Speaker, this government has always advocated on behalf of those who need support, who need some fairness in our society. Despite the goading from the Leader of the Opposition, I am sure that he will want to hear directly the responses from the federal government. I am not a spokesman on behalf of the federal re-election campaign team when he referred to his question earlier about pre-election announcements. In fact, we expect to be treated fairly, just the same as Quebec and any other jurisdiction in this country will be, and we fully expect that the federal government will live up to a commitment that is overdue and outstanding. The same thing is true in the area of support for our native community.

Mr. Doer: The minister did not answer the question. I asked: Did the Premier of Manitoba raise the issue of Access cutbacks by the federal government? Did he raise that in his meeting with the Prime Minister yesterday? Was it indeed a priority for the Premier to proceed with the Access and to deal with the cutbacks in Access or did he not raise it with the Prime Minister and can he report that back? Surely he reports to the cabinet about these issues. Can the minister now report to this Chamber?

Mr. Cummings: Madam Speaker, the Leader of the Opposition never acknowledges the amount of work that we have done to in fact maintain our support of Access programs. It goes without saying that we support the continuance of those programs, but the federal government continually withdraws from this area of support. This province believes that is the type of support that needs to be made available for our native people for Access. but he is, in fact, acting as an apologist when he raises it in this manner because we have attempted to maintain support, but we cannot maintain support in absence of federal co-operation.

Royal Commission on Aboriginal Peoples Government Position

Mr. Eric Robinson (Rupert's Land): Yesterday, aboriginal people from across this country condemned the federal government and to some degree provincial governments on the lack of action that has occurred on

the royal commission report which was released in November of last year.

I would like to ask the Acting Premier whether or not this issue has been raised with the national government and, as well, whether or not this government supports a First Ministers' conference to discuss details of the royal commission report.

Hon. Glen Cummings (Acting Premier): Madam Speaker, again, these issues have always been on part of our agenda with the federal-provincial discussions, but I want to remind the member opposite of the amount of work that we have put in place, first of all, with working in co-operation to settle the treaty land entitlement lands that have been long outstanding and are overdue to be settled.

I think the demonstrated co-operation in that area has brought some recognition and I hope some feeling of comfort to our desire to co-operate and work with the aboriginal community to bring them to their rightful position in society.

* (1010)

Mr. Robinson: The royal commission report has been regarded as a blueprint for the future. My question is simply: Does this government support the need for a federal-provincial conference of First Ministers together with the First Nations leaders and aboriginal leaders in this country to begin dialogue on the royal commission report?

Mr. Cummings: Madam Speaker, while it may be a blueprint and there is a considerable amount of important work and information indirectly that is provided in that report, the logical and practical way of approaching this is to expect some leadership from the federal government that commissioned this report, expect them to enter into a leadership role to work with us in providing the response that will make sure that the people who need this work done on their behalf receive it.

Residential Schools Inquiry

Mr. Eric Robinson (Rupertsland): Madam Speaker, one of the black eyes of this country has been the

residential school experience that was experienced by many aboriginal people across this country.

I would like to ask the Acting Premier whether or not this government has agreed to the need for a comprehensive inquiry into the legacy and the effects of the residential school system, and I wonder if this government can table any correspondence that they have had with the federal government on this matter.

Hon. Glen Cummings (Acting Premier): Madam Speaker, I will take the details of that question as notice, but let me make sure that neither you nor anyone else is mistaken about our view of the concerns that were raised around the problems of some of the residential experiences that our native community had. I want to make sure that the member opposite also brings to our attention any concerns that he has.

Tourism Advertising Contract

Mr. Tim Sale (Crescentwood): Madam Speaker, earlier this week we raised in the House our concerns about Manitoba's dismal record of tourism falling over 14 percent in the last nine years while Canada's rose 15 percent and Saskatchewan rose by 8 percent.

Will the Finance minister tell the House today who got the new lead advertising contract for promoting Manitoba to the world? How many companies bid on that contract?

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, this is the exact question that the member for Crescentwood asked a couple of days ago in this House, and I believe the Minister of Industry, Trade and Tourism (Mr. Downey) indicated that he would be providing that information in full detail.

Mr. Sale: Will the Finance minister, Madam Speaker, who sits as chair of the Treasury Board, who approves these contracts, will he simply tell the House who got the contract, how much it was worth, how many bid on the contract and what is her name?

Mr. Stefanson: The member for Crescentwood leaves the impression in this House that he knows the answers to the questions that he is asking here today. He asked

this question a couple of days ago. The Minister of Industry, Trade and Tourism has assured this House that he will provide the full details in terms of the firm, in terms of the quantification of the contract amount and so on. I am sure he will be doing that very shortly, Madam Speaker.

Mr. Sale: Madam Speaker, the Finance minister chairs Treasury Board. He knows who has the contract. Will he not simply tell the House Brown Communications, Brown advertising, of whom Barb Biggar is the principal, got the contract? Will he simply tell the House how much it is worth? How much more money are Manitobans giving the Premier's former press secretary, Barbara Biggar?

Mr. Stefanson: Madam Speaker, as I have indicated, the Minister of Industry, Trade and Tourism will provide the detailed information of the firm and the quantification, but I want to assure all members of this House—and I think they know this—that on the awarding of any tenders that we go through, we go through a comprehensive process of a public bidding process requesting their proposals, and ultimately—I can hear the moans from across the way. We know how they functioned when they were in government from 1981 to 1988. Thank goodness, things have changed in this province in terms of how we deal with the awarding of contracts, that we go through an open process, we go through an opportunity for firms to bid, and we, ultimately, in this province award contracts on the basis of price and quality of service which are the most fundamental objectives of awarding any contract, unlike occurred for many years from '81 to '88 under the previous administration.

* (1015)

ManGlobe Manager Position

Mr. Jim Maloway (Elmwood): Madam Speaker, my question is to the Minister of Consumer and Corporate Affairs (Mr. Radcliffe). I wanted to thank the minister for his letter confirming that ManGlobe is in default of their business registration, and since this minister seems to be the only minister on that side of the House who knows anything about this issue, I would like to ask him a few more questions.

On July 11, 1995, ManGlobe virtual corporation's status reports listed the federal government as a partner and a contributor of \$200,000. Since, according to the July 14, 1995, ManGlobe project's steering committee minutes, they show that the key contact person with the federal government is Liberal M.P. Reg Alcock and given that according to the agreement the province requires a senior management team acceptable to Manitoba to be in place prior to ManGlobe receiving the second installment of funds for the project, would this minister check and find out whether his government approved the hiring of Karen Alcock as manager of ManGlobe at a salary of \$7,500 a month plus GST, which works out to \$100,000 a year?

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, the member for Elmwood has asked a series of questions about this company. ManGlobe. Unfortunately, he has put an awful lot of wrong information on the record. Just the other day he talked about \$1 million of taxpayers' money being lost. He knows that the advance to ManGlobe was \$500,000. That \$500,000 advance has levered in excess of about another \$2 million of investment.

He talked about some commitments for some 175 employees. I do not know where he gets his numbers or his information from. Again, that is absolutely wrong. So he consistently, as he has a habit to do occasionally, comes forward to this House with wrong information. I do not accept any of his comments related to this issue, and certainly we would not have put any conditions around employing certain individuals in terms of our financial support for this initiative.

Mr. Maloway: Madam Speaker, my supplementary question, actually, to the same minister is this: I wanted to point out at the beginning that the minister is absolutely wrong when he talks about the amount of public money that went into this firm. In fact, it is more. It is higher than what I had said previously.

Madam Speaker: Order, please. Question, please.

Mr. Maloway: My question to the previous minister is: Could he check and find out who in the provincial government approved the hiring and who was on the board representing the federal government at this time?

Mr. Stefanson: Madam Speaker, as the Minister of Industry, Trade and Tourism (Mr. Downey) indicated the other day, he is prepared to provide full details on this company, on the money that was advanced. As we have indicated in this House, from the Province of Manitoba there was a \$500,000 funding provided from a communication agreement that is in place. That has levered another \$2 million in terms of investment for this company. Again, the minister responsible for that advance will provide full details in terms of the amount of the advance and other details around that.

Board Members

Mr. Jim Maloway (Elmwood): Madam Speaker, the minister should be aware that the figure is more like \$1.2 million and climbing. Would the minister endeavour to check to see whether the government has a complete list of board members, current and past, and could he provide us with a list of who those members are?

Hon. Eric Stefanson (Minister of Finance): Again, the member for Elmwood, in terms of the contribution from the Province of Manitoba, is absolutely wrong. I do not know where he dreams up his numbers, how he computes them, how he accumulates them or what. The amount of advance from the Province of Manitoba was \$500,000. That has levered an additional \$2 million of investment from a series of other entities here in Manitoba, companies that at the time had confidence in terms of investing in this initiative here in Manitoba. So his information is absolutely wrong, which he does have a pattern of doing, and he has shown that in the past. But as the Minister of Industry, Trade and Tourism has—

Madam Speaker: Order, please.

*(1020)

Point of Order

Mr. Steve Ashton (Opposition House Leader): On a point of order, Madam Speaker, we are running into some difficulty here where the minister obviously does not know what is going on with this matter, has decided, instead of either answering the questions or

taking them as notice, has attempted to get into debate related to questions that were previously asked by the member.

The member has documented every single question he has made. He has referenced the fact of taxpayers' money—by the way, to the minister, there is only one taxpayer—and he continues to show that there are difficulties with this matter. I would appreciate if you would ask the Minister of Finance to stick to answering the very serious questions that are being raised about ManGlobe by the member for Elmwood.

Madam Speaker: The honourable government House leader, on the same point of order.

Hon. James McCrae (Government House Leader): On the same point of order, the comments brought to us by the honourable member for Thompson amount to nothing more than the usual grievance or expression of displeasure about the quality of answers. This happens all the time. I think what we have here clearly amounts to a dispute over facts.

Madam Speaker: Order, please. On the point of order raised by the honourable member for Thompson, the honourable member does not have a point of order.

Point of Order

Mr. Maloway: On a new point of order, Madam Speaker, reading from the steering committee minutes of July 14, 1995, it clearly states that the telephone system put in \$385,000 of in-client services plus \$100,000 in cash. The provincial government put in \$500,000, the federal government put \$200,000. If you add all that up, you get to \$1.2 million and climbing.

Madam Speaker: Order, please. The honourable member for Elmwood does not have a point of order. I would remind all honourable members that points of order are intended to draw to the attention of the House a breach of the rules of the House.

* * *

Madam Speaker: The honourable Minister of Finance, to quickly complete his response.

Mr. Stefanson: Very briefly. The member for Elmwood confirmed exactly what I told this House, that the Province of Manitoba has contributed \$500,000 to this initiative, so I am glad that he finally, for once, did put some accurate information on the record. As I have indicated, he asks a lot of specific questions about a company operation. The Minister of Industry, Trade and Tourism (Mr. Downey) has assured this House that information that he is able to share about this operation he will do so, and he will provide a full and complete disclosure of this entire transaction.

Brew Pubs Legislation

Mr. Kevin Lamoureux (Inkster): My question is for the minister responsible for the Liquor Control Commission. The other day I asked the question in terms of the brew pubs. The minister delicately danced around the issue at hand. We have the potential to have brew pubs in the province of Manitoba, and the concern is that there is a requirement to bring forward some sort of positive amendments that would accommodate and facilitate the hundreds and thousands of dollars that Manitobans are prepared to invest in this industry.

My question to the minister is: Today, will she commit to bringing in the necessary changes that are required in order to make these brew pubs feasible for the province?

Hon. Rosemary Vodrey (Minister charged with the administration of The Liquor Control Act): What I said the last time when this question was raised in the House—the question has been answered—is that it is possible for individuals who wish to set up brew pubs to do so now under the current regulations and under the current act. Now, if the member is asking for certain changes to be made to the act to accommodate a plan that he has in mind, put it on the record, tell us what his plans are. What would you like to see?

Madam Speaker: The honourable member for Inkster, with a supplementary question.

Mr. Lamoureux: Madam Speaker, will the minister responsible acknowledge that there are problems in the sense that a cabaret licence does not facilitate the hours that would be required to be opened and other explanations that she gave the other day just do not

carry any water, do not suffice? If you believe in the industry and you want to help these business people establish brew pubs, bring in the necessary required legislation amendments in order to make it possible. Do not treat it as a joke.

Mrs. Vodrey: Madam Speaker, the member has referenced some changes that he wanted in terms of cabaret hours or the ability for brew pubs to be open at certain times. He has not made himself clear about what changes he is asking on behalf of individuals. Put it on the record. Tell us the changes, because he is quite right: this is an industry. There are a number of businesses that are operating at the moment, so tell us what kinds of changes he would like to see and let us examine them.

* (1025)

Mr. Lamoureux: Madam Speaker, I wonder if the minister would acknowledge the fact that maybe she is incompetent in dealing with this issue. If she wants me to resolve it and provide her the information, I will be more than happy to be able to sit down with her and tell her what the problems are so we can deal with the issue at hand and resolve the issue, so that millions of dollars can be invested in our inner city and other areas of the province, so that we can actually have an industry as opposed to letting the industry completely disappear.

Mrs. Vodrey: Well, the member is quite right. This is an industry, and there are in fact a large number of people who are employed in the industry. When he would like to make changes and, Madam Speaker, he totally underestimated that in his question—I reject completely the kinds of statements that he has put on the record about the industry at the moment, very wrong and very—underestimates the hardworking business people that are currently in place, and I do say shame on him. That was a disgraceful outburst.

However, Madam Speaker, I would say that as looking at any changes, there requires a balance. If the member has some ideas that he wants to bring forward, please bring them forward, but as I said the last time, the MLCC is very open to working with individuals interested in opening brew pubs. They have in fact done so. There have been a number of conversations with individuals who would like to open brew pubs

under the current regulations, and if the member has further changes that he would like to see, then I would like him to bring them forward, but please acknowledge this is a vibrant industry now.

Public Housing Behnke Road

Ms. Marianne Cerilli (Radisson): I was raising on Wednesday errors in the Minister of Housing's news release of April 15 regarding the destruction of public housing units in St. Vital. One error was the claim that the units were vacant when this government knew full well that they evicted the tenants, forcing them against their will to move out so that they could sell the property. Another error is the claim that the value of the salvage material to be donated is \$540,000.

I want to ask the Minister of Housing: Why did he claim that the value of the materials was \$540,000 when at most it is \$100,000, as quoted publicly today, minus the cost for extracting the material.

Hon. Jack Reimer (Minister of Housing): Madam Speaker, the member is misinterpreting the news release. The value of the buildings was \$540,000, not the materials that were involved with the buildings themselves. So though Home Depot has said that they would be able to realize approximately a hundred thousand dollars on the resale of the material, the value of the units was \$540,000, not the value of the material in the buildings.

Ms. Cerilli: Can the minister explain why the news release says materials from the buildings valued at \$540,000 will be recycled to new homes when that is not the case?

Mr. Reimer: Madam Speaker, I used the word "pretzelization" at one time in regard to the interpretation of events. If the member reads the press release again, it says material from the buildings, comma, valued at \$540,000, the buildings valued at \$540,000, not the material from the buildings.

Point of Order

Madam Speaker: The honourable member for Radisson, on a point of order.

Ms. Cerilli: Madam Speaker, on a point of order. To ensure there is no misinformation about this on the record, I am going to table a copy of the news release which says: This includes cabinets, electrical systems, light fixtures, interior doors, fireplaces, door casings and millwork from several units.

Madam Speaker: Order, please. The honourable member for Radisson does not have a point of order. It is clearly a dispute over the facts.

* * *

Madam Speaker: The honourable member for Radisson, with a final supplementary question.

* (1030)

Ms. Cerilli: I want to ask the minister: How much did the government get from Home Depot when they sold the land, given that the assessment from the City of Winnipeg said the land and buildings were worth \$531,000, and will he confirm that the \$540,000 figure quoted in his news release includes the value of the land?

Mr. Reimer: Madam Speaker, the total realization for the sale of that land, including the buildings, was close to a million dollars to the provincial government.

MATTER OF PRIVILEGE

News Release—Public Housing

Ms. Marianne Cerilli (Radisson): Madam Speaker, I rise on a matter of privilege on this very serious matter because of the minister's unwillingness to clarify on the record issues that we have been raising about this news release. He has had the opportunity to clarify why he has put forward wrong information in a news release the other day and again today. He has now confirmed that the value of the land was included in the figures quoted in the news release. It is important, I think, on an issue as significant as this, when we look at our job, to do our job in representing the people of Manitoba, that we have accurate information brought forward by the government whether it is through news releases or in this House.

When the government does not clarify the record when they have provided misinformation, it violates our privileges in this House. The government must be held accountable for information that they put forward. We have given the minister an opportunity to deal with the error in terms of the claim that there were vacant suites, 20 vacant suites, when it is clear that they have evicted these people, that these suites were not vacant, and now we have learned again today as quoted in the public account through the Winnipeg Free Press that the value of the materials to be transferred for reclamation is not as the news release has said, \$540,000, but is indeed less than \$100,000. This type of misleading information, manipulation, cynicism, must be challenged at every opportunity, and when the minister would not verify the truth about these units and this agreement, he has violated all of our privileges in this House. I raised the issue of the 20 units being demolished, and the minister has claimed that they will be replaced by two homes built from the salvaged material and this, again, is not the case. That material will go to the Re-Store and will not necessarily be used to build these new homes.

The other issue that was raised was trying to justify this bad decision to destroy public housing units so that Home Depot could build a parking lot was that there were vacant units. I have with me the most recent information from the Manitoba Housing Authority regarding vacancies, and in the St. Vital area there is a nine-month to a year waiting list for the types of townhouses that were destroyed in this situation. The member across the way, the Minister of Housing (Mr. Reimer), is walking a very fine line, Madam Speaker, with the information he is bringing to this House. I believe that he has misled this House and that is why I move, seconded by the member for Thompson (Mr. Ashton), that this matter be referred to the Committee on Privileges and Elections.

Motion presented.

Hon. James McCrae (Government House Leader): Madam Speaker, questions of privilege should be handled with care and treated very seriously whenever they are raised in any legislative Chamber, and ours is certainly no exception. As I listened to the discussion between the honourable member for Radisson and the honourable Minister of Housing (Mr. Reimer), it strikes me that we have some dispute here over the facts that

form part of the issue being raised by the honourable member for Radisson. I do believe that it is appropriate for anyone to raise their dispute or their disagreement in an appropriate way. I do not always think a question of privilege is the proper forum for that type of discussion.

In any event, Madam Speaker, you will no doubt want to review the facts of this situation, and I think that opportunity should be made available to you. We would hope that you do that and bring forward some kind of ruling on this matter at a subsequent date after further review.

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, I first want to deal with the technical nature of this, and I believe the member is indeed raising this at the first opportunity. I would note this is being raised after the member gave the minister one more chance to try and put accurate information on the record. I want to stress we believe this goes beyond a dispute over the facts. Indeed, if it was a dispute over the facts, we would not be rising on a matter of privilege, but this goes to the root of the cynicism of this government. You know, this is a government and this minister—and I really think the minister should apologize to this House for what has happened. They put out a press release which I think is some of the most deceptive propaganda we have seen in quite some time. To say as they did in the press release, for the purposes of a cynical media event, attempt to try and make good news out of this situation, to suggest that these were 20 vacant units is absolutely offensive because the only reason those units were vacant is because the residents of those units were evicted.

Talk about double-speak; talk about cynical manipulation. I do not know who came up with the idea this was good news, but I can tell you, for the 20 families that were affected and the many other Manitobans who are being affected by this government's wholesale removal of social housing as a goal and a policy of this government, that is not good news, Madam Speaker; that is just one more sign of how cynical and uncaring this government is about Manitobans.

But, you know, the minister did not just stop there. The minister went and inflated the value of this. I

believe some very serious questions have to be raised about the situation with Habitat as well, as to whether they were informed of where this came from. I know that they are not happy, because the goal of Habitat for Humanity is to add to the housing stock, not subtract 20 units.

So, once again, we are in the situation of what do we as members of the opposition do. Well, I say, Madam Speaker, the member for Radisson (Ms. Cerilli) gave the minister one more chance to do the right thing, and that to my mind would have been to apologize for misleading the House, apologize for misleading the public and apologize in particular for doing something that destroys the housing stock of the province of Manitoba.

I want to say that the only way to get this dealt with, by the way, I believe is to have it referred to the Committee on Privileges and Elections. I say to the minister, and I say to government members opposite who seem to have taken some mirth at this particular situation, it is a very serious matter. It is very serious because I believe every minister has an obligation in this House to always tell the truth. Indeed, when it is clear that the truth has not been told, that minister has an obligation to correct the record and then apologize for misleading the public.

I say to you, Madam Speaker, the only appropriate thing for you to do as Speaker on this particular matter of privilege is to allow us as members of the House to deal with it. That, I believe, will go a long way to ensure not only that this minister is honest and straightforward with the people of Manitoba but other ministers who do the same thing, who use cynical manipulation of the media to try and distort the facts in this province. That kind of cynicism can only be stopped when we get truth in this House.

Madam Speaker: Order, please. A matter of privilege is indeed a very serious matter. I thank all honourable members for their advice, and I will take the matter under advisement and report back to the House.

Home Care Program Additional Services—Olsten

Mr. Dave Chomiak (Kildonan): Madam Speaker, my question is for the Minister of Health. Earlier in the

week, during the anniversary of the home care strike, the minister attempted to answer a question concerning the privatization of home care. I want to ask the minister that question again because he has now had time to reflect on it in his answers, which were clearly wrong.

During the home care situation one of the major issues raised was that private home care companies offer additional unneeded services to home care clients. I am asking the minister, with regard to the largest contract ever entered into regarding privatization, a \$5-million contract to Olsten services, whether the government will prohibit Olsten from selling additional services to the clients they have who in fact are government clients, are captive clients and have no choice but to deal with Olsten?

* (1040)

Hon. Darren Praznik (Minister of Health): Under the particular contract—and I apologize; even ministers of Health can come down with a touch of a cold. I would indicate to the member for Kildonan, under that specific contract the types of prohibitions that he is speaking of are part of that contract, so that is not the case. What I attempted to flag in my answer to his question—and I am sure we will get into this discussion in Estimates—there are very real opportunities even in the public home care system for those types of feed services, certainly with the support services for seniors, a combination in rural areas. There are concerns with how that operates. It is a policy issue that is going to have to be addressed in the next while. But it is equally applicable to public home care as well.

Mr. Chomiak: Madam Speaker, for clarification, is the minister therefore saying that in the context of the Olsten contract that the Olsten corporation can offer no additional services and no services that they provide to any client that is contracted with Olsten beyond those provided under the government contract? Is he giving us a definitive statement today that that is prohibited by the contract? Because I do not find it in the contract.

Mr. Praznik: Madam Speaker, I believe that in the contract are provisions that prevent that provider from soliciting, advertising or offering any goods or services to any client other than the services indicated in the

service plan. That is my understanding of the agreement. As I have pointed out to him, a very real issue in the rural health authorities was if there was a potential to combine support services for seniors, often which have a fee, with the home care services, which are both going to be governed by the RHAs, to provide an economical way of delivering that service. It is very applicable in areas where seniors are sparsely populated, like a good part of my constituency. It is a policy issue to be decided.

Home Orderly Services Regionalization

Mr. Dave Chomiak (Kildonan): Madam Speaker, my final supplementary to the minister is also concerning home care. Can the minister give assurances that the home orderly service that was once privatized, and because of difficulties was brought under the public gamut, will not be broken apart into regions within the regional structure that is being set up by the province because that appears to be one of the policy directions that the home care service in Winnipeg is going towards, that they are breaking down the home orderly service into the regional quadrants that have been established artificially by the government?

Hon. Darren Praznik (Minister of Health): Madam Speaker, I must admit to the member, on the specifics of that question I do not feel comfortable in giving him a definitive answer. It is something that I will entertain to check up on, and I hope we can get into that discussion in Estimates. I would just make this point, as the member has flagged in making a decision about including services with fees attached whether it be public, private or what have you, there are pros and cons to that and he has flagged some of them. I share some of them. There are demands in other areas, but it is an issue on which I hope we can have a very good discussion in Estimates because it is a public policy, a decision that may have to be made at some point in the future.

Aboriginal Halfway House Youth Placements

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, I am just rising in respect

to the question that I took notice of in respect of the Roulette group home that the member for St. Johns (Mr. Mackintosh) raised. In response to his question about the concerns that the operators of this home had raised, I had written back to them already on March 25 indicating that I have asked officials from my department to schedule a meeting with them to discuss these concerns. Indeed, there are a number of operational issues that should be discussed with this home, with the particular operators, and I trust that those conversations and discussions will take place. These matters have been ongoing for some time in respect to some of the concerns that have been raised by my department officials, and I trust that this will be an opportunity to deal with those.

A.E. McKenzie Co. Ltd. Sale Agreement Conditions

Mr. Leonard Evans (Brandon East): Madam Speaker, I have a question to the minister responsible for the continuing \$4-million investment the government has in McKenzie Seeds. The Brandon management of McKenzie Seeds issued a statement to employees a few weeks ago that, and I am quoting: It is recognized that our major customers are located in Toronto. It is therefore appropriate and essential that the marketing and sales office be located in Toronto.

My question to the minister is: Does the wording of the sale agreement with Regal Greetings permit this, or is it in contravention of the agreement, at least in spirit if not in the letter?

Hon. Harold Gilleshammer (Minister of Labour): Madam Speaker, as I have indicated to my honourable friend on many occasions, the government set out six preconditions prior to selling the company to Regal. These conditions were incorporated in the agreement, and the company has lived up to these conditions and not breached any of them.

Mr. Leonard Evans: I have a supplementary to the minister who is responsible to ensure that the McKenzie Seeds operation remains in Brandon. Does the sale agreement specifically ensure the continuation of the president's position as CEO in Brandon or does it allow Regal Greetings to eliminate this position?

Mr. Gilleshammer: Well, I have clearly indicated to the member that the preconditions that were set out by the government have been met and in fact exceeded in all their requirements, and they are in complete compliance with the asset purchase agreement signed in December of 1994.

Mr. Leonard Evans: Madam Speaker, my supplementary to the minister: Has Regal Greetings invested any capital in McKenzie Seeds thus far, pursuant to the sale agreement and as mentioned in your official news release of December 20, 1994, wherein Regal is expected to invest \$4 million in McKenzie Seeds? Has any capital yet been invested in the past two years?

Mr. Gilleshammer: Yes, Madam Speaker.

Infrastructure Programs Aboriginal Communities

Mr. Steve Ashton (Thompson): Madam Speaker, as a country we have an international reputation that is bar none, the highest quality of life according to the United Nations, a record on human rights that is respected throughout the world, but if there is one blot on that it is our treatment of aboriginal people in this country. Given the historic nature of the protest yesterday, I think it is an opportunity for us all to reflect on the need not for talk anymore but for action.

I would like to ask the Premier: Will he begin to address the injustice faced by many aboriginal people by making a commitment as Premier responsible in jurisdiction for Northern Affairs communities to, within a reasonable period of time, perhaps by the new millennium, ensure that every community in this province has the most basic infrastructure, including sewer and water, something that does not exist in many Northern Affairs communities today?

Hon. Gary Filmon (Premier): Madam Speaker, as I indicated in response to the Royal Commission on Aboriginal Peoples, we believe that there are many issues that ought to be addressed with respect to our aboriginal peoples and their needs. Many of the challenges, of course, occur today off reserve, and in communities throughout the province two-thirds of the

Status aboriginals in Manitoba, I believe, live off reserve today. We announced just this week, an urban aboriginal strategy development that is taking place through the Manitoba Round Table on Environment and Economy chaired by George Campbell and vice-chaired by Mary Richard with a number of very, I think, qualified people participating in that.

We have, of course, programs available through the Department of Northern Affairs. The minister, I know, will certainly be available for questioning in his Estimates vis-a-vis the specifics of where the investments will take place, but there are ongoing investments that take place in infrastructure, and they are part of the Estimates commitments that are made each and every year. The member may know that, among other things, the Department of Highways announced a greater commitment towards highway infrastructure this year in northern roads.

So we are aware of demands and needs that take place. We know that basic infrastructure is important to people of northern Manitoba of all backgrounds. Certainly our aboriginal people are part of that equation and very much an important part of that equation.

* (1050)

Access Programs Funding

Mr. Steve Ashton (Thompson): Madam Speaker, I hope there will be a target to give basic infrastructure to every community in this province by the year 2000.

I want to ask about education to the minister, because education is the key for aboriginal people being able to take the place in Canadian society that they wish. I would like to ask the Premier if he will not only seek to have the federal government live up to its obligations, particularly with the cuts to Access programs, but reinstate provincial funding both for the Access programs and for New Careers and make a new commitment to ensure that there is a commitment to aboriginal education in this province.

Hon. Gary Filmon (Premier): Madam Speaker, this government is very much committed to education for

aboriginal peoples. I see it as, obviously, one of the key cornerstones to allowing our aboriginal people to change very dramatically their social and economic circumstances.

Madam Speaker, among many things, of course we have to continue to evaluate the effectiveness of the programs that we deliver. We have to ensure that the dollars we invest result in outcomes that are productive and positive for those who take the training. Certainly the commitment to aboriginal education at the post-secondary level has been very strong in this province over a couple of decades. Things like BUNTEP, the Brandon University Native Teacher Education Program, has resulted in hundreds of teachers of aboriginal origin being developed, and as well there have been commitments.

I know that I very proudly have met young engineers who are graduates of our university programs that have been developed as a result of our Access funding, Access funding that has created graduates who are professionals, as doctors, as lawyers, as social workers, as so many other areas. We continued to fund Access. We also have as many intakes as we have had in the past. We also have as many graduates as we have had in the past. We have as many students who continue to be in those programs.

Madam Speaker, like all other Manitobans, our aboriginal people are expected for the benefits that they get from these post-secondary educations to also be able to access our loan programs. Like all other students, they too are expected to take some portion of their support in loans that are repayable in recognition of the tremendous asset that becomes to them and the tremendous increase in their earning power throughout their lives after they take this post-secondary education, so it is all part and parcel of changes that have taken place, changes that reflect the fiscal realities that we have to live with, that every Manitoban has to live with, changes that reflect the reductions in transfers from Ottawa, realities that we have to live with. In a balanced fashion we are attempting to do as much as we can for all people, and that is important to us.

Madam Speaker: Order, please. Time for Oral Questions has expired.

NONPOLITICAL STATEMENT

Manitoba Curling Association Honorary Life Member

Mr. Brian Pallister (Portage la Prairie): Do I have leave to make a nonpolitical comment?

Madam Speaker: Does the honourable member for Portage la Prairie have leave to make a nonpolitical statement? [agreed]

Mr. Pallister: It is a pleasure to rise in the House today and pay tribute to Mr. Barry Sadler. Barry has recently been honoured for his participation in what is truly the most noble of all modern sports: curling. The call of the ice. The whisper of the rock as it glides down towards the House and the satisfying crack as you take out your opponent's rock have all been luring Barry since the days when he practised curling on the frozen dugout near the family farm in Elgin in the fine riding of Turtle Mountain.

Barry has participated in two Tankard playdowns, two senior men's playdowns, eight mixed provincial championships, all representing the Portage la Prairie curling club. He has chaired the committees for the 1986 Canadian Seniors Championships. He has chaired committees in the 1990 World Junior Curling Championships and in the 1994 Manitoba Junior Men's Championship. He has been involved in hosting several cash bonspiels, including the McCain Superspiel West from its beginning in 1989 to the present day.

For the past 23 years, Barry has been the Zone 9 chairman for junior men's curling. At the club level he served on the executive of the Portage curling club for 11 years and held various offices including president. If any curler deserved to be made an honorary life member of the Manitoba Curling Association, it is my friend Barry Sadler.

To the sport of curling he has brought unbridled enthusiasm, dedication and a commitment few can ever come close to matching, and he is well known across Manitoba and around all the curling clubs of this province as a gentleman on and off the ice.

On behalf of all members, I congratulate Mr. Barry Sadler on this well-deserved honour. Thank you.

ORDERS OF THE DAY

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, I seek leave of the House to adjust the Estimates sequence in the Chamber as follows: For Monday only, Agriculture to be set aside to be replaced by Seniors Directorate and Environment. On Tuesday, the sequence tabled on March 27 will be followed with Agriculture being considered.

Madam Speaker: Is there leave to adjust the Estimates sequence in the Chamber for Monday only?

Some Honourable Members: Leave.

Madam Speaker: Leave. Therefore Agriculture will be set aside and replaced by the Seniors Directorate and Environment. On Tuesday, Agriculture will continue to be considered.

* (1100)

Mr. McCrae: Madam Speaker, on April 8, the Supplementary Information for Estimates review for the Sustainable Development Innovations Fund was tabled in this House. For the information of honourable members, there are two typographical errors on page 9. The resolution and appropriation numbers should have read 26.2 and two, respectively.

Madam Speaker, would you be so kind as to—are we into government orders now?

Yes, would you be so kind as to call bills today in the following order subject to revision, should it be necessary: Bills 2, 4, 7, 8, 9, 12, 13, 14, 16, 17.

SECOND READINGS

Bill 2—The Arbitration and Consequential Amendments Act

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, I have a few notes to

provide to the House, a few comments to provide to the House before I move that the bill be read a second time and be referred.

The Arbitration Act essentially—

Mr. Gary Doer (Leader of the Opposition): I think you have to move it first. Go back to orientation.

Mr. Toews: Got to move it first? All right. Thank you. I appreciate the comments by the Leader of the Opposition (Mr. Doer). His undoubtedly superior knowledge and skills in House matters—

An Honourable Member: . . . not want to go that far, Victor.

Mr. Toews: Not that far? Well, anyway, I thank him.

I move, seconded by the Minister of Labour (Mr. Gilleshammer), that Bill 2, The Arbitration and Consequential Amendments Act (Loi sur l'arbitrage et modifications corrélatives), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Toews: Madam Speaker, this act will repeal and replace the existing Arbitration Act. This change will significantly modernize the law governing private, domestic arbitrations in Manitoba. The Arbitration Act currently in force in Manitoba is based on a model adopted by the United Kingdom in 1889, a model which was developed in an era when private arbitral tribunals were less trusted to resolve disputes or dispense justice.

The new act is based on the uniform Arbitration Act prepared by the Uniform Law Conference of Canada in 1990. Among the many reforms made by the uniform act, the six most significant are the following changes:

The first change is that the new act places greater recognition on the will of the parties. Few subject matters cannot be made the subject of an arbitration. The rules of procedure for arbitrations may be established as the parties see fit. The act also strengthens arbitration agreements by requiring courts

to hold parties who enter into valid arbitration agreements to those agreements.

The second change is that the new act provides an appreciable level of detail with respect to the rules of procedure. While the parties are free to change those rules at any time and in any manner they see fit, parties to less complicated relationships often agree to submit a matter to arbitration without putting their minds to the rules of procedure that will be followed. These rules, which are intended to be fair to all parties, provide a detailed procedural framework.

The third change is that once an arbitration has begun, the process will not be slowed unnecessarily. This includes reducing the amount of possible gamesmanship that can be used to stall or defeat the arbitration. To this end, the primary changes and objections to the jurisdiction of the arbitrator must be made in a timely fashion. Parties cannot sit on an objection for the sole purpose of raising it at a time that would be inconvenient to other parties.

The fourth change is that the arbitrator's duties are more clearly spelled out. The arbitrator must be independent of the parties and must act impartially. This is more a codification of the existing common law rules than it is a change, but it is intended to spell the duty clearly to arbitrators.

The fifth change is that the arbitrator's powers have been expanded to allow orders for specific performance, injunctions and other equitable remedies. The powers have also been expanded to allow interim orders to be made for the detention, preservation or inspection of property. The arbitrator has also been given the power to rule on his or her own jurisdiction.

The sixth change is that on the application of one of the parties, the court is required to enforce an award which has not been appealed. Awards are enforceable, not only for arbitrations conducted in Manitoba, but for arbitrations conducted in other Canadian jurisdictions. Conversely, awards made in Manitoba will be readily enforceable in courts of other Canadian jurisdictions which have reformed their Arbitration Acts.

One of the underlying intentions of The Uniform Act has been to harmonize arbitration law across Canada.

So far, The Uniform Act has been adopted in Ontario, Alberta, Saskatchewan and New Brunswick. Two other provinces, British Columbia and Quebec, revised their Arbitration Act in 1986 prior to the preparation of The Uniform Act. Those acts largely foresaw the changes that have been made under The Uniform Act.

The act proposed for Manitoba also takes into account minor changes in style which have been made in Alberta. For the most part, those are substantially insignificant. However, those changes include three relatively minor changes of substance.

First, under The Uniform Act, where a court action is taken for the removal of an arbitrator, the arbitrator is entitled to be heard by the court only where two grounds are alleged for his or her removal for undue delay of the arbitration or for the commission of a corrupt or fraudulent act. With the changes, where court action is taken for the removal of an arbitrator, the arbitrator is entitled to be heard in all cases.

Next, under The Uniform Act, the arbitrator is empowered to administer an oath, declaration or affirmation, but the arbitrator is not compelled to require witnesses to testify under oath or arbitration. With the changes, the arbitrator is similarly empowered to administer an oath, declaration or affirmation but is also compelled to require the witness to testify under oath or affirmation.

Finally, under The Uniform Act, all appeals and applications to set aside awards must be brought to court within 30 days of the award, except in cases of corruption or fraud, where no limitation period is given. With the changes, a specific limitation period is given for cases of fraud or corruption. It is the latter of 30 days after the award has been made or 30 days after the wrongdoing is discovered or ought to have been discovered.

With the changes that will be brought by this act, it is expected that arbitration will become a more attractive option for dispute resolution in Manitoba. Thank you.

Mr. Daryl Reid (Transcona): I move, seconded by the member for Kildonan (Mr. Chomiak), that debate be adjourned.

Motion agreed to.**Bill 4—The Steam and Pressure Plants
Amendment Act**

Hon. Harold Gilleshammer (Minister of Labour): Madam Speaker, I move, seconded by the Minister of Justice (Mr. Toews), that Bill 4, The Steam and Pressure Plants Amendment Act (Loi modifiant la Loi sur les appareils sous pression et à vapeur), be now read a second time and referred to a committee of this House.

Motion presented.

Mr. Gilleshammer: Madam Speaker, I am pleased to introduce Bill 4 which proposes to amend The Steam and Pressure Plants Act. The amendment I am proposing today provides that where a pressure vessel is subject to inspection under the federal Transportation of Dangerous Goods Act, it will not also be subject to inspection requirements under the province's Steam and Pressure Plants Act.

In 1992, the federal government amended federal regulations under the Transportation of Dangerous Goods Act to require the inspection of mobile anhydrous ammonia tanks used to transport liquid fertilizer, as well as other mobile tanks. The changes were effective July 1, 1995. The new federal tests and inspections for highway tanks are to be conducted on a two-year basis by certified and designated testing facilities.

* (1110)

The Department of Labour is currently also required to inspect these tanks under the Steam and Pressure Plants Act on a two-year basis. If the proposed amendment is not proceeded with, duplicate inspections will be conducted under both the Manitoba and federal requirements. Eliminating the provincial requirement to inspect anhydrous ammonia tanks will allow the department to devote its resources to more effective purposes.

The federal initiative generally affects the provinces of Alberta, Saskatchewan and Manitoba with respect to anhydrous ammonia tank inspections. The federal

inspection requirements are applicable now in all three jurisdictions. Alberta has discontinued its follow-up program under the pressure vessel legislation. In Saskatchewan, they were inspected under another scheme, however, the new arrangements will be similar in all three provinces.

It should be noted that the Department of Environment will continue to monitor the tanks under Manitoba Transportation of Dangerous Goods legislation to ensure that the federal inspection requirements are complied with. The Department of Labour will continue to inspect these tanks to ensure that they are constructed to the proper safety standards. These changes are aimed at reducing duplication without reducing safety requirements.

Madam Speaker, I commend this bill to this Assembly for approval. Thank you.

Mr. Dave Chomiak (Kildonan): I move, seconded by the member for Transcona (Mr. Reid), that the debate be now adjourned.

Motion agreed to.**Bill 7—The Midwifery and Consequential
Amendments Act**

Hon. Darren Praznik (Minister of Health): I would move, seconded by the honourable Minister of Labour (Mr. Gilleshammer), that Bill 7, The Midwifery and Consequential Amendments Act; Loi sur les sages-femmes et modifications corrélatives, be now read a second time and be referred to committee of this House.

Motion presented.

Mr. Praznik: Again, my apologies for the state of my voice this morning. I, too, suffer from the cold or flu that is going around, and I find it a little bit difficult to speak.

Madam Speaker, this piece of legislation, The Midwifery and Consequential Amendments Act, is truly a historic piece of legislation both for our province and I think across the country. For the first time in the history of our nation—and this is not the first, but it is part of the wave of the first acts—we are recognizing in

a statutory way in establishing the framework of governance for the practice of midwifery.

Midwifery has been with humankind since the earliest times, but in our recent history in medical practice, it has not been a profession that has had legal recognition and has not been as widespread in recent times as many has desired. Today we are bringing forward for second reading and consideration of this House legislation which will create in essence the governing structure for the profession of midwifery. Within this bill all of the rules, of course, are not written within it. They will be included in regulations. We are putting together the framework for the establishment of this profession.

I want to pay tribute to the previous ministers of Health, both Mr. Donald Orchard, the former member for Pembina, and the honourable member for Brandon West (Mr. McCrae), who served in this portfolio. Both were very supportive of the work that has gone on to develop this particular piece of legislation.

I know going back some years, as an MLA in my own constituency, I was lobbied very intensely by a number of women who felt that midwifery for low-risk births was an important part of their options and choices in delivering and caring for their newborn, and not only in recognizing that desire to have that choice available to them but also the very practical need that exists in many parts of our province. I am thinking of particularly very remote, isolated communities where it is very impractical to have a physician available all of the time to those communities. Midwifery offers another option for care and delivery in low-risk births that we certainly think were there. I would even suggest in many cases, very unofficially, the practice in those communities goes on today as a matter of necessity. This provides, of course, the vehicle to establish the profession, to govern and regulate it and include within that the formalized training that I think is very important, that goes hand in hand with the development of the practice of midwifery in our province.

Madam Speaker, as I have indicated, my predecessors both supported and began a process of very extensive consultations by establishing a Midwifery Implementation Council with urban, rural

and other communities including aboriginal citizens and health care providers, including doctors, nurses and midwives, et cetera, being involved in that process. The previous consultations included a process in 1987 conducted by the then Manitoba Advisory Council on the Status of Women under a previous administration. I acknowledge their efforts in having the council under their tutelage look at this particular issue and, as well, reports from the Health Advising Network; the College of Physicians and Surgeons, I believe, in 1991; the Manitoba Association of Registered Nurses in 1991; and the Manitoba Working Group on Midwifery in 1993, all of which examined this issue and recommended that regulated midwifery be introduced into our provincial health care system.

The Midwifery Implementation Council appointed by the then Minister of Health was chaired by family practitioner Dr. Carol Scurfield. It has obstetrician, community and nurse midwives, a lawyer, educators, nurses, health care consumers and aboriginal and rural citizen representatives. The council offered valuable advice and expertise, and the recommendations have been incorporated into this legislation. In creating the structure for midwifery as a regulated profession it was emphasized that public safety was first and foremost and the proposed college of midwives were required to enforce high standards of care, accountability and continuing professional education.

This initiative of the Ministry of Health fits certainly with the principles of a reformed health care system. It enhances public education and patient empowerment providing greater options. It also develops and strengthens appropriate community-oriented and alternative services for the women of our province. It is also congruent; it focuses on provincial priorities for women, children and aboriginal people. This initiative also fits with the focus on the development of primary care models within an interdisciplinary practice model.

Madam Speaker, we also hope that we are able to meet the needs of care providers and communities with high needs, particularly as I have mentioned, aboriginal, northern and isolated communities. Midwifery, through this legislation, we hope to blend what is a traditional and very long-standing practice in the life of the world with the regulatory mechanisms of our modern medical community. I hope, in the course of

our discussions on this particular bill, when we move to committee, that it will have the support of all parties within this Assembly, and again the structure of this particular legislation is to establish the framework of governance, establish the college of midwives to get on with the ongoing work of establishing and regulating, governing this profession.

It has taken some time to get to the floor of this House. There has been a great deal of work, as I said, going back to 1987 with the then Manitoba Council on the Status of Women, beginning a process of discussion and consultation and recommendation to this point of introducing the bill for second reading today, a great deal of work. I would like to thank all of those involved in it, and I hope through this step over the next while we will be able to develop the practice in Manitoba, so that it again can provide another option of care for many of the women in our province who are pregnant and require such service and care.

Thank you very much, Madam Speaker.

Mr. Kevin Lamoureux (Inkster): Madam Speaker, I wanted to put a few words on the record with respect to this particular piece of legislation.

Madam Speaker, midwifery as an issue was really first brought to my attention back in 1988 through a couple of constituents actually at the door in the canvassing that I had done, and it is an issue which through time has grown, and grown considerably. I think that those individuals that have been persistent at lobbying for the change in this area should be thanked, because I know it has been a long haul.

* (1120)

I can recall the 1990 election, standing in the front Seven Oaks Hospital. At that time Sharon Carstairs, and I believe it was Dr. Gulzar Cheema were present, and we talked about the benefits of midwifery. Madam Speaker, we also acknowledged that would it not be nice if we designated the Seven Oaks Hospital as some sort of a training facility for midwifery.

I believe that it is, Madam Speaker, a very legitimate option that has to be made available, that the government has been somewhat slow in terms of

bringing in the legislation that is required. We are going to be following very closely in terms of the regulation. I myself will be sending a copy of the legislation with possibly the minister's comments in order to attempt to receive some feedback. We trust that the minister will be open-minded in terms of trying to be able to accommodate potential amendments to this particular legislation.

The concept of midwifery is long overdue in terms of the requirements to make it happen, Madam Speaker, and to that end we in the Liberal Party are quite glad to see that we have legislation today. Over the next while, there will be a number of people that will in fact be reviewing it to see if in fact there are ways in which the legislation can be enhanced.

I just wanted to acknowledge, Madam Speaker, right up front that this is something which our party has persistently fought for, for a number of years. In fact, in the 1990 election campaign I can recall how, as I indicated, our former Leader, Sharon Carstairs, took this as an issue on behalf of our party and tried to bring it to the public's attention in a very broad way. That was done primarily because of the type of overwhelming support that she had received virtually throughout the province in people, not only those that want to practise midwifery, but most importantly the families, in particular the women, that were wanting to have this service.

It has been a long time in coming. We welcome it. I am sure that there will be good debate and discussion at committee and, at that point in time, in fact we might even be coming up with some suggestions or, at the very least, ensuring that some individuals that we are aware of that have been lobbying us have been made aware of it possibly going to committee sometime in the near future. Thank you.

Mr. Daryl Reid (Transcona): I move, seconded by the member for Broadway (Mr. Santos), that debate be now adjourned.

Motion agreed to.

Madam Speaker: Second Reading. Is there leave to change the sequence? [agreed]. So it is Bill 12.

**Bill 12—The Manitoba Water Services
Board Amendment Act**

Hon. Leonard Derkach (Minister of Rural Development): I move, seconded by the Minister of Labour (Mr. Gilleshammer), that Bill 12, The Manitoba Water Services Board Amendment Act (Loi modifiant la Loi sur la Commission des services d'approvisionnement en eau du Manitoba), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Derkach: The Manitoba Government plans to enter into a unique partnership arrangement with other private and public sector interests to finance the construction and the operation of a regional water supply system for the rural municipalities of Cartier, St. Francois Xavier, Headingley and Portage la Prairie.

In order to proceed, however, Madam Speaker, changes are required to The Manitoba Water Services Board Amendment Act. The act must be amended primarily as a housekeeping issue to allow the board to seek new opportunities that were not available to them when The Manitoba Water Services Board and its ensuing act were created back in 1972.

The Manitoba Water Services Board is now wishing to seek private partners for the development of the Cartier water supply system. Amending the act will enable the board to proceed. Public-private partnerships of this nature are positive on a number of fronts. First, they offer the province an innovative way to finance, build and operate infrastructure facilities. Due to the economies of scale within such a partnership arrangement, greater efficiencies can be achieved with a significant reduction in cost.

In the case of the Cartier regional water supply system, the four participating municipalities have been susceptible to droughts in the past, leaving a large number of residents without a dependable water supply to meet their residential, commercial and their livestock needs, Madam Speaker. This project will provide residents with a dependable water supply while ensuring the continued economic development for the area. This approach is not a new one, it has been used

before, and a similar project was undertaken with the Charleswood Bridge in south Winnipeg.

The partnership approach is consistent with the mandate of the Department of Rural Development to work with communities and organizations, and it offers an innovative way to develop large capital projects. I believe that it is an approach we will see being used more and more into the future. Partnering offers a means towards achieving a common goal in a very efficient and cost-effective manner. So therefore I commend this bill to the House. Thank you.

Mr. Daryl Reid (Transcona): I move, seconded by the member for Concordia (Mr. Doer), that debate be adjourned.

Motion agreed to.

Madam Speaker: Is there leave to adjust the sequence once again? Leave. [agreed]

Bill 14—The Pension Benefits Amendment Act

Hon. Harold Gilleshammer (Minister of Labour): Madam Speaker, I move, seconded by the Minister of Rural Development (Mr. Derkach), that Bill 14, The Pension Benefits Amendment Act (Loi modifiant la Loi sur les prestations de pension), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Gilleshammer: I am pleased, Madam Speaker, to introduce Bill 14, which proposes to amend The Pension Benefits Act. The main purpose of the amendments being proposed is to strengthen the enforcement and penalty provisions of The Pension Benefits Act such that the pension benefits of working Manitobans can be protected to the maximum extent possible. As well, several amendments will serve to clarify for the benefit of pension plan sponsors, administrators and participants a number of administrative issues.

The first amendment proposed will require pension plan administrators to act prudently in their administration of the plan or investment of pension funds. Manitoba and Alberta are the last remaining

Canadian jurisdictions to not have a statutory requirement that administrators act prudently in performing their responsibilities. Adoption of such a requirement will clarify the legal responsibility that plan administrators and their agents undertake with respect to pension plans and thereby improve legislative compliance.

* (1130)

In an effort to further strengthen the enforcement provisions of the act, it is proposed that additional parties be required to notify the superintendent of pensions of a failure of the employer to remit contributions to the pension plan. Currently under the act, a trustee of a pension plan, or the person charged with the investment of the funds of a plan, must notify the superintendent of pensions where the employer fails to make a required payment of the plan. In many cases, these persons are not the persons who receive the funds from the employer. There are other parties involved in the administration of plans, who would have more timely knowledge of the failure to remit.

To signal the government's commitment to enforcement, it is being proposed that the penalties for a breach of the act be increased tenfold. Thus the maximum fine would rise from \$10,000 to \$100,000, while the minimum penalty would increase from \$200 to \$2,000. Moreover, as the objective of the government's enforcement efforts is to protect the accrued pension benefits of working Manitobans, it is being proposed that the courts be able to order any person convicted of an offence under the act to provide restitution to the pension plan for losses suffered by the pension plan in respect of the offence. These provisions will ensure that The Pension Benefits Act clearly establishes the legal responsibilities of those administering pension plans of working Manitobans and provides effective and efficient enforcement.

Madam Speaker, among the more significant technical and administrative amendments being proposed is that which would allow pension plans to provide for the cashing out of small pension amounts upon termination, death or retirement. This will assist pension plan administrators, former plan members and financial institutions to overcome an unnecessary administrative hurdle. More specifically, it has been

found that financial institutions are no longer selling retirement income products to retirees with a small amount of accumulated pension benefit credits. At the same time, The Pension Benefits Act, in many cases, does not allow these funds to be cashed out and given to a retiree as a lump sum. This amendment will allow for the cashing out of small pension amounts.

In an effort to improve the protection of spousal pension rights, it is proposed that the act be amended to clarify that. Where a spouse resumes cohabitation with a plan member, the spouse is entitled to the spousal preretirement death benefit provided for under the act. Provisions respecting preretirement death benefits provide that a spouse of a pension plan member is entitled to a pension benefit when the member dies prior to retirement. The act currently provides that the benefit is not available to an ex-spouse who received or is entitled to receive a division of pension benefits as a result of a marriage breakdown. The restriction assumes that spouses who have separated and divided their pensions would never subsequently reconcile or remarry. However, such cases do occur and these spouses are being denied the benefit, even though they are the legal spouse at the time of death.

The final amendment I will highlight is the proposal to amend the section which was originally added to the act in 1992 and is intended to assist pension plan members and plan sponsors of new established plans, clarify the ownership of prospective surplus pension assets. A provision was not intended to override any existing legal rights and entitlements.

It has come to the Pension Commission's attention that the present wording is creating considerable confusion and may, in some cases, be dissuading potential planned sponsors from continuing the operation of plans when they take over a firm. The proposed amendment will make it clear that the provision applies where a new plan is being established.

Taken together, these proposals are a positive step forward in our efforts to create an environment, which not only promotes the expansion and the establishment of employer-sponsored pension plans but also ensures the benefits of members are offered adequate protection. Thank you.

Mr. Dave Chomiak (Kildonan): I move, seconded by the member for Concordia (Mr. Doer), that debate be now adjourned.

Motion agreed to.

Hon. James McCrae (Government House Leader): Might I suggest for the convenience of honourable ministers, at this point, that we move next to Bill 17 and then Bill 16 and then Bills 8, 9 and 13.

Bill 17 - The Retail Businesses Holiday Closing Amendment Act

Hon. Harold Gilleshammer (Minister of Labour): I move, seconded by the Minister of Education (Mrs. McIntosh), that Bill 17, The Retail Businesses Holiday Closing Amendment Act (Loi modifiant la Loi sur les jours fériés dans le commerce de détail), be now read a second time and referred to a committee of this House.

Madam Speaker: Is there leave to change the sequence of the reading of second bills? [agreed]

Motion presented.

Mr. Gilleshammer: I am pleased to introduce Bill 17 which proposes to amend The Retail Businesses Holiday Closing Act. The amendment I am proposing today provides the Minister of Labour with the authority to issue special exemptions from the closure requirements of the act without requiring the authorization of the Lieutenant Governor in Council.

Currently, under The Retail Businesses Holiday Closing Act, the authorization of the Lieutenant Governor in Council is required for the minister to issue an exemption from the restrictions on retail business openings under the act where a particular establishment wishes to hold a special event on a Sunday or holiday.

As well, an order of the Lieutenant Governor in Council is required to make such an exemption more general in its application. As this is a costly, inefficient and time-consuming way of proceeding, it is proposed the act be amended to provide that (a) the exemptions be issued by the minister without the requirement of Lieutenant Governor in Council authorization, and (b)

the orders making an exemption general in effect be issued by the minister.

It is also proposed that the regulation-making powers under the act be amended to allow for the establishment of administrative fees to be charged for the issuance of these permits. These changes are aimed at providing a more timely and efficient way for establishments to obtain these permits.

Madam Speaker. I commend this bill to the Assembly for approval.

Mr. Dave Chomiak (Kildonan): I move, seconded by the member for Transcona (Mr. Reid), that debate be now adjourned.

Motion agreed to.

Bill 16—The Council on Post-Secondary Education Amendment Act

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I am pleased to move, seconded by the Minister of Agriculture (Mr. Enns), that Bill 16, The Council on Post-Secondary Education Amendment Act; Loi modifiant la Loi sur le Conseil de l'enseignement postsecondaire, be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. McIntosh: The Council on Post-Secondary Education Act, which was passed last session and will be proclaimed very shortly, was an act that will be bringing all the elements of the post-secondary system under one governance structure. The proposed amendment will bring Manitoba's six independent colleges under the Council on Post-Secondary Education. These independent colleges at the present time are the Canadian Mennonite Bible College, the William and Catherine Booth Bible College, Concord College, Menno Simons College, Providence College and Steinbach Bible College.

The independent colleges are an integral part of Manitoba's post-secondary system and have been for much of this century. The first independent college, Providence College, was established in 1925. The last

was established in 1982, which was the William and Catherine Booth Bible College. The fact that these institutions were left out of the Council on Post-Secondary Education Act was unfortunate and not what we desired. We had an amendment, you may recall, during the hearings that would have included them, but it was ruled out of scope, and we were unable to achieve the unanimous consent to consider them, as the opposition did not support the amendment.

* (1140)

The government very much wants to see these colleges fall under the Council on Post-Secondary Education, and they too wish to see that happen. Other governments, the governments of Alberta, Ontario, et cetera, do incorporate their independent colleges under public legislation.

We on this side of the House believe that amending The Council on Post-Secondary Education Act to include independent colleges is the most appropriate method of ensuring that these institutions continue to play an important role in Manitoba's post-secondary system and that the students benefit from the improvements which we hope to see in our post-secondary system.

The need to incorporate the independent colleges under The Council on Post-Secondary Education Act comes from the initial desire as expressed in the Roblin report to ensure that Manitoba's post-secondary system is fully co-ordinated and articulated. The report of the University Education Review Commission Roblin report was released in December 1993. That report recommended, and I quote: The Council on Post-Secondary Education be created having a broad and proactive mandate to mediate government policy with post-secondary institutions, co-ordinate system-wide planning and budgeting, as well as having responsibility for distance education, accountability reporting, accreditation, system data development, and community interconnecting relationships. That is on page 91, Madam Speaker, of the Roblin report.

The independent colleges met with this minister in December of '96 and indicated that they would like to fall under the jurisdiction of the Council on Post-Secondary Education. These colleges have

independently already affiliated themselves with existing institutions. To give a few examples, Madam Speaker, the Canadian Mennonite Bible College is affiliated already with the University of Manitoba. Both Concord College and Menno Simons have close working and teaching relationships with the University of Winnipeg.

All independent colleges have articulation agreements with the various universities to ensure transferability of programs between institutions. Furthermore, the independent colleges are recognized by Manitoba institutions and by institutions throughout Canada and the U.S.A. For example, Providence College graduates are accepted at graduate-level courses in various universities outside of Manitoba. Given the history of Manitoba independent colleges and the relationships that they have formed with the other post-secondary institutions in Manitoba, we in government believe that it is essential that the independent colleges be brought under the Council on Post-Secondary Education.

We have situations, Madam Speaker, where not only is the same course being taught at the University of Manitoba and, say, Providence College, but the same professor is teaching the course in both institutions. So I would urge the members opposite to reconsider the position they took last year and allow what is happening naturally to be able to happen officially as well and not let ideology against people who are not fully publicly in the public realm stand against the rightness of this decision.

The amendment allows the independent colleges to receive their funding through the council. Currently, the colleges are funded through the Training and Advanced Education division of the Department of Education and Training. In 1996-97, government provided the six independent colleges with the total split amongst them of \$480,200. This money was divided amongst the colleges based on enrollment. Through this amendment, the funding will be routed through the Council on Post-Secondary Education and will no longer be given directly from the government. Any changes to the level of funding will be recommended to the government by the council. Further, the council will be able to recognize and provide advice and leadership to the independent

colleges regarding their co-ordination with the rest of the post-secondary system.

It is essential for the benefit of students, Madam Speaker, that Manitoba have a co-ordinate, articulated post-secondary system. This will help ensure that Manitoba's post-secondary opportunities are as open, as wide and available, as possible. Co-ordination means that all post-secondary institutions will have a unique and specific role to play in post-secondary education. If Brandon University offers the best program in one area, then the post-secondary system should recognize that and ensure that they do not start up programs that will duplicate what is being done effectively in Brandon. A co-ordinated system is a system that ensures that a specific institution's resources are directed at their areas of expertise, that centres of excellence are developed and used by all post-secondary institutions.

An articulated system fits in directly with a co-ordinated system. If the institutions are to develop centres of excellence and expertise in specific areas, it then follows its students in Manitoba should be able to pursue studies in a particular field without necessarily being tied to one institution. A student should be able to take the programs and courses that he or she needs to ensure that the student gets the best possible training. That students should be able to take courses from the University of Manitoba, from the William and Catherine Booth Bible College, the University of Winnipeg, through learning technologies and other methods, a course from Brandon, if that arrangement provides the best training in the students' field of study, they should not be restricted to one institution.

Through their affiliations and agreements with other post-secondary institutions, the independent colleges have demonstrated their desire to play an active role in Manitoba's post-secondary system. Naturally, where government provides funding, there must be accountability structures in place. Through the amendment, the independent colleges would have to provide the annual budget of the college, an annual report, or any other information that the council may require. This information will help the council by providing the ability to compare the independent colleges to other elements of the post-secondary system. Further, the council will be able to provide

Manitobans with a more complete picture of the status of post-secondary education in Manitoba. With this information taxpayers will be able to get a clearer idea of how their tax dollars are being spent.

The Council on Post-Secondary Education is about doing things differently. We must ensure the taxpayers are getting value for the money they provide. If we have to change the way we do things, if we have to change the things we do, how we structure universities and colleges, how we see the nontraditional parts of the post-secondary system, then I believe we have a responsibility to do that.

The Council on Post-Secondary Education has a mandate to do just that, provide leadership to the post-secondary system to help them do things differently. Independent colleges are an important part of ensuring that the council can do its work. As a resource, the council can include the independent colleges in their considerations when looking at issues of co-ordination.

Who should be the locus of expertise in areas of conflict resolution? Why should one of the traditional institutions create a new program in conflict resolution when Menno Simons Bible College has a nationally recognized expertise in providing training in this field?

As institutions, the independent colleges can look to articulation agreements with the other major institutions instead of dedicating their resources to doing what the more traditional institutions have already been doing well for many years. The potential is great. However, we must ensure that all parts of the post-secondary system are working together. It is a mistake to leave any part of the system out. Universities, community colleges, independent colleges must all be working together to help improve the high quality of post-secondary education in Manitoba.

The Department of Education and Training must not only be concerned with issues related to the management of our post-secondary system. The department is also concerned about the economic impact of post-secondary education on the province. The framework for economic growth indicates that a competitive advantage today is increasingly dependent on ideas and skills rather than traditional input costs. Through insuring that all aspects of the post-secondary

system are co-ordinated, the department is seeking to improve the creation and dissemination of knowledge.

* (1150)

It is often said that information is power, knowledge is power, possunt quia sciunt [phonetic]. This is true now more than it has ever been. The framework for economic growth indicates that in the new economy knowledge workers are the single most important factor of production.

It is essential that the province, in co-operation with post-secondary institutions, help ensure that all avenues of post-secondary education are open to Manitobans.

Madam Speaker, Statistics Canada in its 1996 education quarterly report measures Canada's spending on all levels of education against that of the G-7 nations. The report indicates that Canada spends more in terms of the percentage of GDP per capita than any of the other G-7 nations. However, the same report indicates that of the G-7 nations Canada has the highest unemployment rate among high school graduates and the second highest unemployment rate among university graduates. Canada spends more and achieves less than the other countries.

So it seems we do not need to spend more on education. Rather we need to change the way we educate ourselves. Our education system has to become more relevant, more flexible, with increased co-ordination, better articulation and co-operation. Our post-secondary system can produce the kinds of graduates that industry wants and raise our standing internationally so that the Canadian level will be respected on the world stage. Thank you, Madam Speaker.

Mr. Dave Chomiak (Kildonan): Madam Speaker, I move, seconded by the member for Broadway (Mr. Santos), that debate be now adjourned.

Motion agreed to.

Bill 8—The Real Property Amendment Act

Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs): Madam Speaker, I move,

seconded by the honourable Minister of Agriculture (Mr. Enns), that Bill 8, The Real Property Amendment Act; Loi modifiant la Loi sur les biens réels, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Radcliffe: Madam Speaker, the amendments that we are proposing for The Real Property Act here are matters of a housekeeping nature. I would like to take this opportunity to put a few remarks on the record by way of explanation of what we are doing.

The first section of this amendment or bill that we are doing refers to the standard charge mortgage terms on mortgages that are registered in the Land Titles Office. A number of years ago, the Manitoba Legislature, in its wisdom, sought to introduce some plain language legislation with regard to real property mortgages in order to make them more user friendly for the Manitoba public.

So we moved from documents, mortgage documents, which were anywhere up to eight to 10 pages in length, containing many, many very technical terms which met the needs of the lenders and the consuming public to a one-page document. On the one-page document, which was designed by our Land Titles Office, were contained all the salient points of what the nature of the relationship was between the borrower and the lender on a real property mortgage. It contained the name of the borrower, the name of the lender, a description of the real property involved, the interest rates, the term of the loan and a brief statement as to the ownership and dower or inheritance rights that were contained. This was the basic nature of the document.

Now, in order to protect lenders, what we did in the Land Titles Office was then add "by reference" on the simplified mortgage form, on the face of it, a reference to another document which was filed in the Land Titles Office as a pro forma which was called the standard charge terms. Any lender could file a standard charge term document and then all the subsequent registrations would refer by virtue of reference of number to the registration number of the standard charge term and name of the document.

The regulations at that time indicated that the standard charge terms on those mortgages, there should be a reference as to the name of the standard charge terms and a heading to help to identify it. What has occurred by way of practice, subsequent thereto, is only a reference by way of number, so therefore we are relieving the lender of the obligation of the wider identification under the standard charge term of identifying that document and only referring to it by number.

Another amendment that we are making under The Real Property Act again goes to the matter of fees that are payable by a mortgager or borrower to register the documentation in Land Titles Office. Up until a number of years ago one used to pay on a sliding scale based on the value of the mortgage to register the document in Land Titles Office. That was changed and there is now a standard charge for registering a mortgage, and that I believe is now approximately \$60 for registering a mortgage of any value.

Now, the prior status of the law was that Land Titles did not want the borrowing public to change or amend the value of the mortgage, because when there were subsequent changes, either by way of renewal, change of borrowers, they wanted to restrict the amendment of the terms of the mortgage because it affected the fees. So now that is irrelevant because there is a standard charge for registration of the mortgage; therefore, the revenue derived by Land Titles Office is not dependent upon the face value of the mortgage. The law restricting or forbidding amendment of the value of the mortgage by way of amending agreement is no longer relevant. Therefore, what we are now proposing is to allow the borrowing public in Manitoba to amend the terms of the registered mortgages not only by changing the different terms in the mortgage but now to actually change not only the interest rates but the value of the mortgage. So this is the essence of the second change that we are making to The Real Property Act at this point in time.

The transfer tax is something that is completely different from the cost of registration of the mortgage. The whole object of these changes is, again, to make the land title system, the registry system in Manitoba something that is more user friendly, more accessible to the public and be more responsive to the needs of the

borrowing public in Manitoba. We find nowadays, and I would use the hypothetical situation, that where a borrower is purchasing a home, there may be an existing mortgage in place, and they want to change the terms and conditions of the mortgage as to not only the rate and the identity of the borrower, but the outside value of the mortgage. Now somebody need not go through all the expense of discharging the existing mortgage and reapplying at a mortgage-lending institution, going through the due diligence.

I can tell this House and my colleagues here, and through you, Madam Speaker, to the good people of Manitoba, that what one does when one registers a mortgage in Manitoba, the due diligence that one must go through to satisfy a lender, that you are giving security and good security for the money you are receiving. You must file an application, and that costs money. Then you must provide, if there is a residential dwelling on the property, a survey certificate. We have seen fit in this Chamber to pass laws that now it must be an up-to-date survey certificate.

* (1200)

I can comment at this point in time that for young house buyers and people who are perhaps buying homes on a shoestring budget, to have to go out and engage the services of a surveyor when there is an existing survey certificate that may well be in existence—and our former practices as land conveyancers was that we would consult the sketch, the surveyor's sketch that was on the survey certificate. If it was more than five years old, we would take an affirmation or a declaration from the purchaser that there was no material change in the outside boundaries of the home.

At that point in time that would suffice and that met the needs of the borrower. That would assure the lender that in fact the dwelling upon which they were lending the money was wholly found within the boundaries of the piece of property upon which was forming the security for this property. However, there were other problems afoot. The surveyors found that we were recycling many old survey certificates. Surveyors brought here and introduced the concept of copyright, I believe. So this Manitoba Legislature, in its ultimate wisdom, said that when a survey is done on

a piece of property now, it can only be used for the particular transaction for which that individual professional was engaged, and these survey certificates cannot be recycled.

Madam Speaker, I just take this opportunity to express my personal frustration as a conveyancer, and I bring this experience to the benefit of my colleagues here, that this can add an additional \$300—

An Honourable Member: Unnecessary dollars.

Mr. Radcliffe: The honourable member for Inkster (Mr. Lamoureux) indicates that these are unnecessary dollars. I would not perhaps be so vigorous as to qualify it in that respect, but I can say that, when you are facing first-time buyers, young people who are buying their starter home or people who are buying homes on modest means, it is a significant and additional paper cost in order to engage and to make sure that the documentation is more up to date. However, be that as it may, that is only one of the aspects that one follows through when one is remortgaging a piece of property.

Another aspect of due diligence with which one must follow when you are remortgaging a piece of property is you must obtain an up-to-date zoning memorandum from the local municipality to ensure the lender that the zoning regulations, the use to which this particular property is put, comply with the local by-laws as to land use. These must be up to date and what ones does there, of course, is send the survey certificate, to which I made former reference, to the local municipality and request an “only for payment” of course, because the municipalities only issue these things in response to a further stipend. So there is another additional cost.

Then you have to pay the lawyer which, of course, is always a very modest fee for all the work and due diligence that he does. There must a declaration as to possession, which outlines the quality of ownership. There must be a search of the property at the Land Titles Office to ensure that, in fact, the particular charges, a first charge or a second charge, whatever has been negotiated. So, Madam Speaker, you can see from these myriad steps—and this is only a very quick précis of the care and attention that a good solicitor will do when acting on behalf of a borrower and in many

cases a lender as well—that there is significant cost involved with mortgaging a piece of property.

An Honourable Member: Yes, indeed, it is the lawyers that add to that cost.

Mr. Radcliffe: Oh, now, the honourable Minister of Agriculture (Mr. Enns) who I note seconded this bill is casting about some vague imprecations in this Chamber about the authenticity and the validity of our legal counsel. I must say that legal counsels are well meaning and hard working and underpaid. So it is for these reasons that we want to try and reduce the cost to the borrowing public that these amendments have been introduced and to streamline the operation of mortgaging and the registration of documents in our Land Titles Office.

I might add, as one final comment, that our Land Titles Office has now become a special operating agency. This has allowed the officials and the employees of the Land Titles Offices in Manitoba to seize the initiative to adopt new and creative forms of doing business in Manitoba to give further service to the people of Manitoba.

This bill is only one example of the good thought, the good work that is emanating from our Land Title Offices in Manitoba. So I would commend this bill to your attention and the attention of my worthy colleagues here, and that would conclude my remarks on this particular bill. I thank you, Madam Speaker, very much for this opportunity to put these few, humble remarks on the record.

Mr. Dave Chomiak (Kildonan): I move, seconded by the member for Broadway (Mr. Santos), that debate be now adjourned.

Motion agreed to.

Bill 9—The Public Utilities Board Amendment Act

Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs): It is my pleasure today to rise in my place here and move, (seconded by the Minister of Government Services (Mr. Pitura), that Bill 9, The Public Utilities Board Amendment Act; Loi modifiant

la Loi sur la Régie des services publics, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Radcliffe: Madam Speaker, Bill 9 is intended to give the Public Utilities Board the power to forebear or to refrain from regulating rates for services which are now provided in a competitive market. As everyone I am sure in this Chamber knows, our Public Utilities Board in Manitoba is an independent body, separate from government, which regulates such activities as the transmission and supply of natural gas. It regulates MPI rates and hydro rates.

Regulatory forbearance is becoming increasingly common in Canada, and a prime example at the federal level affecting Manitoba is the Canadian Radio-Television and Telecommunications Commission. The CRTC has been allowed by the Parliament of Canada to forbear from regulating under the 1993 legislation and has exercised this power with respect to such services as long distance tolls and cellular services. These are obviously areas of commercial exchange now, Madam Speaker, which are in the competitive domain and need no longer be regulated to serve the public interest.

When there is a monopolistic situation where there is only one single supplier of a service or a commodity, then the different Legislatures and regulatory bodies in our country have deemed it appropriate that that service or that commodity be regulated by government, by an extension of government, in order that the public interest be best served, that there be no price gouging, that there be no undue or oppressive economic pressure imposed upon the people of our country and upon people who do not have the means to respond to compete or defeat the issues of, the interests of, the one particular supplier.

* (1210)

Our Public Utilities Board has exercised forbearance in the past, but there is some question as to whether the board's jurisdiction specifically provides for such action. So in order to perhaps enhance the certitude of the Public Utilities Board, this bill is being introduced.

Neither The Public Utilities Board Act nor The Crown Corporations Act differentiate between a public utility service offered in a competitive environment and those in a monopoly environment, and what we have seen recently, by way of example—I would use, perhaps, the natural gas supply conveyed by the TransCanada Pipeline to Manitoba from the oil and gas fields of Alberta. The local purveyor is Centra Gas in Manitoba, or one purveyor at least, and the rates that we all pay have two major components. There is the cost of the transmission through the pipeline and, of course, there is only one owner of those pipelines across western Canada. Then there is the purchase of the commodity and the supply of the actual commodity itself, the substance itself, which is the natural gas.

Madam Speaker, a number of years ago, the federal government opened up competition. I believe in 1991, opened up the opportunity for individuals, be they corporations or natural individuals, to purchase natural gas in block lots and resell it, presumably and hopefully at a profit, to the consuming public. However, the arrangement that was made with the pipeline owner was that this fuel supply was transmitted down the pipeline to the end user at the rates charged by the pipeline. So the cost of conveyance is one major significant cost of what we pay to heat our homes and run our stoves, et cetera, in Manitoba. Then the other significant cost is the acquisition of the commodity itself. So there are now a number of brokers, and we read in the paper daily the activities of the different brokers where they interact with members of the public. What one can do is go to one of these brokers who has bought a job lot of—and I think they are gigabytes or some such quantity like that—natural gas, and Centra Gas will bill the particular consumer who is buying gas from a competitor of Centra Gas, they will collect the money, and then remit those funds to the actual owner of the commodity.

Now, Madam Speaker, the situation where there is a monopoly, which was the former situation, only with respect to perhaps say, for example, regulating compulsory automobile insurance in Manitoba is clearly a monopoly situation. These are services offered by our Manitoba Public Insurance. However, as I have just explained, in today's environment there are more and more public utility services being opened up to the public.

Now I note, Madam Speaker, that natural gas has been deregulated at the supply end, at the well-head end, by agreement in 1985. I stand corrected. I thought it was 1991, but it is 1985 between the federal government, the Province of Saskatchewan, the Province of British Columbia and the Province of Alberta. At the retail end, our consumers may buy natural gas from the utility or from a broker. That is our choice now, and so there is true competition in that element of what used to be a monopoly situation.

Some people believe that utilities should have been a regulated monopoly environment only in the pipeline services, and the supply function should operate in an unregulated competitive environment. Electricity, Madam Speaker, the deregulation of electricity in Manitoba Hydro is developing more slowly in North America, and I am advised by planners that say that similar developments may take place. Now, regulation forbearance would only occur, and this bill that we are presenting for the scrutiny of members of this House in final promulgation would only forebear after discussion at public hearings and after a decision of the Public Utilities Board. The board's decisions, as now, can be appealed to the Court of Appeal on errors of jurisdiction or errors of law. The Public Utilities Board also in this bill reserves the right to impose conditions, that they are going to forebear or refrain from regulating in a particular environment. The Public Utilities Board may, in its wisdom, as an independent administrative juridical body, impose conditions upon the supply of service or the functioning in the particular environment. So we are not being abandoned or cut off, and the Public Utilities Board's wisdom and authority will still pervade this area.

This bill also contains a number of housekeeping amendments, and among them the payment for adviser's costs at the Public Utilities Board's hearings, and removal of references to The Natural Gas Supply Act which is to be repealed. Madam Speaker, I commend to the attention of my honourable colleagues in this House the issue of the fact that at the Public Utilities Board hearing there is often significant and considerable expertise in the way of testimony presented by way of actuarial evidence, by way of again more than adequate representation and advocacy from our bar, willing advocates in the province of Manitoba.

So, Madam Speaker, these hearings are very expensive, and the legal fees, the counsel fees, the testimony can amount to hundreds and hundreds of thousands of dollars. [interjection] I do not want to deny my honourable colleagues opposite from one syllable of wisdom that I may humbly be able to—so I commend this bill to the attention of worthy members in this Legislature, because this is an attempt again on behalf of the Filmon government to make the presentation of service more user friendly, more accessible to the good people of Manitoba, in order that gas rates might be diminished if, in fact, there might be forbearance exercised at the Public Utilities Board, and some of these horrendous costs that are incurred might be avoided.

So this is something that even the honourable Leader of the Opposition might have to pay less on his gas bill, so I would commend this bill to his attention and, Madam Speaker, I thank you very much for the opportunity to put these few humble remarks on the record today.

Mr. Dave Chomiak (Kildonan): I move, seconded by the member for Concordia (Mr. Doer), that debate be now adjourned.

Motion agreed to.

Bill 13—The Insurance Amendment Act

Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs): Madam Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), that Bill 13, The Insurance Amendment Act; Loi modifiant la Loi sur less assurances, be now read a second time and be referred to a committee of this House.

Motion presented.

* (1220)

Mr. Radcliffe: Madam Speaker, I have a few very small remarks, because I see by the clock that, under this session, we are almost running out of time, so I will abridge my remarks to fit the remaining time in an attempt to edify my honourable colleagues opposite, because I feel that we have a mandate on government

side to bring light and edification to all members in this Chamber.

The two main purposes of this bill are to increase the stability of the insurance industry by raising the capital requirements and minimum financial criteria for insurance companies that come to operate in Manitoba, to incorporate in Manitoba after October 1, 1997. So this is prospective legislation.

The second goal of this legislation is to amend the operative sections of The Insurance Act to enable the government to pass regulations prescribing financial standards that applicants, incorporating an insurance company in Manitoba, will have to meet. With respect to the capital requirements, the bill raises the capitalization and minimum financial criteria to \$5 million for all classes of insurance.

Just as a point of information in passing, I would note that other Canadian jurisdictions are either moving to enact higher requirements or considering such action. In all aspects of our legislation on the regulatory side, my department is taking great steps and great care to see that we harmonize our regulations in Manitoba with those of our other sister jurisdictions in order that there be uniformity of the ability of the environment, ability to do business right across this grand nation of ours.

It has been shown that insurance companies with low capitalization cannot survive the rigorous risks of the property and casualty insurance market. We have seen in years gone by the Confederation Life and Canadian Indemnity, which was a corporation in which I had some personal interest at one point in time—[interjection] Yes, I did—and how it got into the automobile market in California.

Canadian Indemnity was at one point the flagship in a particular portfolio investment and, inside of two or

three years, it was almost devastated, it was almost wiped out. It was terrible, and we want to ensure in this government that not only the operating public, the consuming public but the investing public are protected. Increasing the capital requirements for insurance companies will better reflect the risk and the values of insurance now being written for those for the foreseeable future.

Existing insurance companies incorporated in Manitoba will not be affected by the amendments—[interjection] Well, we do not know. They will be encouraged to increase their capitalization over time. We will be harmonious. By proceeding with this bill, Madam Speaker, this Filmon government will be able to meet its broad policy objectives of maintaining consumer confidence in the financial sector and ensuring that Manitoba consumers are served by an efficient, competitive financial services market.

Thank you very much, Madam Speaker, for this opportunity to put these few remarks on the record.

Mr. Dave Chomiak (Kildonan): Madam Speaker, I move, seconded by the member for Concordia (Mr. Doer), that debate be now adjourned.

Motion agreed to.

Hon. James McCrae (Government House Leader): Madam Speaker, I sense there may be a willingness to forgo the last five minutes of today's sitting and that we might call it 12:30.

Madam Speaker: Is it the will of the House to call it 12:30? Agreed? [agreed]

The hour being 12:30, this House is adjourned and stands adjourned until 1:30 p.m. Monday next.

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, April 18, 1997

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