



Second Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
ADAM, Hon. A.R. (Pete)	Ste. Rose	NDP
ANSTETT, Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
BANMAN, Robert (Bob)	La Verendrye	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, Hon. John M.	Gimli	NDP
CARROLL, Q.C., Henry N.	Brandon West	IND
CORRIN, Brian	Ellice	NDP
COWAN, Hon. Jay	Churchill	NDP
DESJARDINS, Hon. Laurent	St. Boniface	NDP
DODICK, Doreen	Riel	NDP
DOERN, Russell	Elmwood	NDP
DOLIN, Hon. Mary Beth	Kildonan	NDP
DOWNEY, James E.	Arthur	PC
DRIEDGER, Albert	Emerson	PC
ENNS, Harry	Lakeside	PC
EVANS, Hon. Leonard S.	Brandon East	NDP
EYLER, Phil	River East	NDP
FILMON, Gary	Tuxedo	PC
FOX, Peter	Concordia	NDP
GOURLAY, D.M. (Doug)	Swan River	PC
GRAHAM, Harry	Viriden	PC
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry M.	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HEMPHILL, Hon. Maureen	Logan	NDP
HYDE, Lloyd	Portage la Prairie	PC
JOHNSTON, J. Frank	Sturgeon Creek	PC
KOSTYRA, Hon. Eugene	Seven Oaks	NDP
KOVNATS, Abe	Niakwa	PC
LECUYER, Gérard	Radisson	NDP
LYON, Q.C., Hon. Sterling	Charleswood	PC
MACKLING, Q.C., Hon. Al	St. James	NDP
MALINOWSKI, Donald M.	St. Johns	NDP
MANNES, Clayton	Morris	PC
McKENZIE, J. Wally	Roblin-Russell	PC
MERCIER, Q.C., G.W.J. (Gerry)	St. Norbert	PC
NORDMAN, Rurik (Ric)	Assiniboia	PC
OLESON, Charlotte	Gladstone	PC
ORCHARD, Donald	Pembina	PC
PAWLEY, Q.C., Hon. Howard R.	Selkirk	NDP
PARASIUK, Hon. Wilson	Transcona	NDP
PENNER, Q.C., Hon. Roland	Fort Rouge	NDP
PHILLIPS, Myrna A.	Wolseley	NDP
PLOHMAN, Hon. John	Dauphin	NDP
RANSOM, A. Brian	Turtle Mountain	PC
SANTOS, Conrad	Burrows	NDP
SCHROEDER, Hon. Vic	Rossmere	NDP
SCOTT, Don	Inkster	NDP
SHERMAN, L.R. (Bud)	Fort Garry	PC
SMITH, Hon. Muriel	Osborne	NDP
STEEN, Warren	River Heights	PC
STORIE, Hon. Jerry T.	Flin Flon	NDP
URUSKI, Hon. Bill	Interlake	NDP
USKIW, Hon. Samuel	Lac du Bonnet	NDP
WALDING, Hon. D. James	St. Vital	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, 24 June, 1983.

Time — 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills . . .

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we reach Oral Questions, may I direct the attention of honourable members to the gallery. We have 28 students of Grade 9 standing from the Glenella School under the direction of Mr. Walker. The school is in the constituency of the Honourable Minister of Municipal Affairs.

On behalf of all of the members, I welcome you here this morning.

Also in the gallery this morning there are 20 students of Grade 5 standing from the Ecole Centrale under the direction of Mrs. Chartrand. The school is in the constituency of the Honourable Minister of Energy and Mines.

On behalf of all of the members, I welcome you here this morning.

ORAL QUESTIONS

Resignation of Chairman - Manitoba Disaster Assistance Board

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, a question to the Minister of Government Services. Can the Minister of Government Services advise if Elswood Bole, the long-time Chairman of the Manitoba Disaster Assistance Board, has resigned from that position?

MR. SPEAKER: The Honourable Minister of Government Services.

HON. J. PLOHMAN: Mr. Speaker, I had received the letter of resignation the same day that I had sent a letter to him explaining to him that the Cabinet had reappointed new members of the board and that he was not being reappointed. I had indicated that the same day as I received a letter of resignation.

HON. S. LYON: The plot thickens, Mr. Speaker. Can the Minister of Government Services, Mr. Speaker, tell us why this citizen, whose service to at least four governments in this position has been found to be so exemplary, why he was either: (a) dismissed by this government, or (b) found it necessary to resign from this government?

HON. J. PLOHMAN: Mr. Speaker, the Honourable Leader of the Opposition knows full well that over a

period of time the government's policy is to rotate and change members of boards and commissions. There's certainly been one that has taken place over the last two years. This board is no exception. As a matter of fact, I had initiated action to rotate the members of the board off of the Disaster Assistance Board, the same with all of the boards and commissions and, as a matter of fact, all three members of that board have been changed, replaced, Mr. Speaker.

I might add that it is no reflection on the job that they have been doing, I have indicated that they have served a number of governments well. They have served in that capacity for a number of years, and certainly they have provided good service to various administrations over a period of time but, as with all positions, it's time for a change and that's what has taken place at this time, Mr. Speaker.

HON. S. LYON: Mr. Speaker, I'm increasingly intrigued by the comments of the Minister. Given the fact that Mr. Bole has helped the Province of Manitoba through many successive administrations to adjudicate flood claims, disaster claims of one sort and another, in an extremely exemplary and judicial manner, would the Minister try to convey to the House, to the people of Manitoba, why the NDP found it necessary to replace Mr. Bole? If his service was so good, as the Minister has just finished saying, why was it necessary either to replace Mr. Bole or for Mr. Bole to resign?

HON. J. PLOHMAN: Mr. Speaker, there's certainly a number of reasons as I've indicated. The Honourable Leader of the Opposition is fully familiar with the fact that his administration changed almost all of the boards and commissions as well over a period of time. We had retained this particular board for a year-and-a-half since our government came into office and it is just one of the changes that has taken place along with all of the other boards and commissions.

I have indicated Mr. Bole had been a chairman of that commission for a number of years and certainly has been in that position for an extensive period of time, as a matter of fact an abnormally long time. In most cases no other commission had been in one particular position for that long and we have made if a policy to rotate people and not to place them on the same boards as previously.

We think it is good to have new and different people in these boards and commissions and have them involved as well in carrying out the duties of boards and commissions, Mr. Speaker, and this is consistent, this decision with that general policy that we have implemented since we have come into government.

HON. S. LYON: Well, I'm happy to have the Minister's confirmation that Mr. Bole had served, to my recollection, the last Liberal Government of Manitoba in part of 1958, the Conservative Government from '58 to '69, the Schreyer Government from '69 to '77, our Government from '77 to '81. Now, all of a sudden, this

outstanding public servant is found not to be required. Mr. Speaker, I would like to lay on the table of the House a letter and . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

HON. S. LYON: . . . I would like the Minister, Mr. Speaker, to respond . . .

MR. SPEAKER: Order please. The Honourable Member for Inkster on a point of order.

MR. D. SCOTT: Mr. Speaker, this is question period not a period for laying things on the Order Paper, whatever else. The member, he's already been up on his feet for almost two minutes trying to ask a question. If he wishes to do that then let him get to the question in question period, Mr. Speaker, instead of making statements. — (Interjection) —

MR. SPEAKER: Order please. We thank the honourable member for that observation. The Honourable Leader of the Opposition.

HON. S. LYON: Thank you, Mr. Speaker. My question again is to the Minister of Government Services. Did he receive this letter from Elswood Bole dated June 23, 1983, to the Honourable John Plohman, Minister of Government Services?

"Dear Mr. Minister: I wish to tender my resignation as Chairman of the Manitoba Disaster Assistance Board. Your continued interference with the board makes it impractical for me to continue being responsible for the functioning of the board. This resignation is effective immediately. Yours truly, Elswood Bole." — (Interjection) —

Mr. Speaker, did the Minister of Government Services receive that letter and how does he respond to the charges made by Mr. Bole that it was because of unwarranted interference by that Minister and the government that Mr. Bole resigned?

HON. J. PLOHMAN: Mr. Speaker, I did receive that letter and I disagree. I would say that there has not been any interference with the functioning of the board, Mr. Speaker.

HON. S. LYON: Mr. Speaker, the Minister has just finished commending Mr. Bole as an outstanding servant. Is he saying that the statement Mr. Bole made in his letter to the Minister is an untruth? Is that what the Minister is saying to us?

HON. J. PLOHMAN: Well, Mr. Speaker, I'm certainly not saying it's an untruth; I say that's his opinion; my opinion is that I disagree with that, Mr. Speaker.

HON. S. LYON: Can the Minister tell us, the citizens of Manitoba, who was appointed by the NDP to replace Mr. Bole?

HON. J. PLOHMAN: Yes, Mr. Speaker, it is Mr. Albert St. Hilaire, who is the Reeve of the R.M. of St. Adolphe, I believe.

A MEMBER: Montcalm.

HON. J. PLOHMAN: Montcalm.

HON. S. LYON: Mr. Speaker, can the Minister tell us whether he has responded to this letter of resignation by Mr. Bole?

HON. J. PLOHMAN: Mr. Speaker, I'm not sure that I heard the question correctly. Did the Honourable Leader of the Opposition ask me how the recently appointed Chairman has responded to this letter? — (Interjection) — Okay, Mr. Speaker, thank you for that clarification.

I have not responded at this time to the letter of resignation, Mr. Speaker.

HON. S. LYON: Would the Minister tell us, Mr. Speaker, who replaced Mr. Sydney Reimer as Vice Chairman; and who replaced Mr. Bernard Ayotte as member; and Mr. Kenneth Rothwell as Secretary of the Board?

HON. J. PLOHMAN: Mr. Speaker, first I would like to clarify that a letter did go - in terms of the question that was asked just previously - a letter did go to Mr. Bole indicating that he was no longer a member, and thanking him for his services on the Disaster Assistance Board; and, in terms of the reappointments, or the appointments to the Board, Mr. Speaker, there will be an announcement made shortly with regard to that.

HON. S. LYON: Well, Mr. Speaker, in a word, who are they?

HON. J. PLOHMAN: Mr. Speaker, I have indicated very clearly that an announcement will be made shortly with regard to those appointments. I am not sure that they have received their letters, yet, and I don't want to have them find out, at this time, Mr. Speaker, that they have been reappointed. I think it's only right that they receive their letters first.

HON. S. LYON: Mr. Speaker, is the Minister of Government Services saying that it's all right to fire Mr. Bole in public and to respond to questions on that, but it's not all right to give any publicity to the names of their friends whom they're appointing to the Board?

MR. SPEAKER: Order please. The Honourable Minister of Government Services.

HON. J. PLOHMAN: Well, Mr. Speaker, I certainly have not fired anyone in public. The Honourable Leader of the Opposition is the one that has made it public. I would hope that Mr. Bole has received his letter indicating that we were thanking him for his services and that he would not be continuing on in that capacity, Mr. Speaker. That was certainly not done in public. It was the Honourable Leader of the Opposition who has not had personal regard for Mr. Bole; not myself.

HON. S. LYON: Mr. Speaker, would the Minister then kindly explain to the House and to the people of Manitoba, who must be as befuddled as he appears to be, as to why he is prepared to answer a question, as he should in this Legislature, first in response to

what his government is doing. He'll answer the question about somebody they fired, but he won't be forthcoming about which of their friends they appointed. Why the great distinction?

Do we have two levels of treatment now, one for those who are friendly to the NDP and one for the rest of Manitoba? That's a diminishing group too.

HON. J. PLOHMAN: Mr. Speaker, I've indicated quite clearly that an announcement will be made and the honourable member will be made aware of that situation very shortly.

HON. S. LYON: Mr. Speaker, there is no better place for young Ministers to make announcements than the Legislature. Perhaps the Minister would take some advice from somebody as senior and as learned in the procedures of the House as the Minister of Transportation or the Minister of Health. They could tell him announcements should be made in the Legislature.

Children's Aid Society, Winnipeg

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, my question is to the Honourable Minister of Community Services.

I would ask him whether he can confirm that the Children's Aid Society of Winnipeg currently shows a \$600,000 deficit in its service and administration budget, and a \$600,000 surplus in its group homes budget, and that his department has denied the agency permission to use the surplus to offset the deficit in its current budget?

MR. SPEAKER: The Honourable Minister of Community Services.

HON. L. EVANS: Mr. Speaker, I'd like to look into some of those details, but I just want to make a general observation and that is, unfortunately for whatever reason, the Children's Aid Society of Winnipeg for many a year has unfortunately and regrettably suffered deficits. This has gone on for many a year off and on to different degrees for whatever reasons.

I recall looking at some correspondence back at least into the mid '70s where certain special payments had to be made to the Children's Aid Society of Winnipeg because of overrides. This does happen, unfortunately, for reasons sometimes beyond the control of any particular non-profit volunteer agency and, from time to time, the departments under both governments, have had to help them cope with the situation from time to time, but I can assure the honourable member that we are quite aware of the fact that they have some financial difficulties. My staff are working closely with them and, hopefully, we will be able to resolve the matter, but I am not able to discuss the details that the honourable member refers to.

MR. L. SHERMAN: Well, Mr. Speaker, I am not disputing the fact that CAS, Winnipeg has had a deficit on one part of its budget for some time - from 1976 to 1982

to be accurate - that wasn't the question. The question was whether the Minister and his department have denied permission to the agency to offset, repay that \$600,000 deficit with a \$600,000 surplus that exists in another part of their budget. In other words, perhaps I should rephrase the question, Mr. Speaker, and ask the Minister whether his department is artificially maintaining CAS of Winnipeg in a \$600,000 deficit-position in order to force some administrative changes at the agency that are the desire of that government.

HON. L. EVANS: Mr. Speaker, I reject the allegation or inference of the honourable member. Everybody agrees that it's time that we look at the whole system of Children's Aid service delivery and make improvements, but I will look into those details and I will as soon as possible, hopefully next weekend, be able to respond to the honourable member.

MR. L. SHERMAN: A further supplementary, Mr. Speaker. In view of the fact that the CAS of Winnipeg Board and administration face a crunch on the 7th of July with respect to their budget and respect to the positions of 22 persons - and the Minister and his Deputy and his senior officials are fully aware of this - will the Minister look into the situation and expedite a solution within the next very few days so that we don't reach a situation on the 7th of July where the CAS of Winnipeg has been forced into terminating 22 employees and revamping its whole administrative approach due to the artificial maintenance of that Minister's department of a deficit at CAS, Winnipeg, which shouldn't be there; a deficit which could be paid off with funds in another portion of their budget which the Minister will not permit them to use.

HON. L. EVANS: Well, I can advise the honourable member that CAS, Winnipeg has been funded generously, as all the agencies in the Child and Family Service system have been funded. Certainly, there has been very close liaison between my department and officials of CAS, Winnipeg, and there has been no attempt by us certainly, with regard to forcing any agency to reduce staff or change staff around, etc. The agencies have to take, however, certain responsibilities for their actions.

Having said that, I repeat, that in many many cases what happens to any voluntary agency or any social service agency is sometimes beyond the control of the government, and sometimes beyond the control of the agency, depending upon the demand for the services of that particular agency, but I don't forecast any disastrous move in terms of layoffs. But on the other hand, that is the decision that the management of CAS Winnipeg has to make. We will certainly do everything in our power to ensure that it is able to maintain itself in a financially viable way.

MR. L. SHERMAN: A final supplementary, Mr. Speaker. While in moving to address this problem well before July 7th, so that the CAS Board is not placed in an untenable position, will the Minister confirm and take action to remedy a situation under which the message has been delivered discreetly, perhaps, but nonetheless delivered by officials of his department to CAS

Winnipeg, that resolution of their financial problem and their deficit problem is inextricably tied to administrative changes at the agency? Presumably those administrative changes would involve Betty Schwartz.

HON. L. EVANS: I am not sure whether I follow the honourable member's line of reasoning in that question. I just want to assure him, again, that we are working with the agency and we've set down policy guidelines for financial assistance which are very generous in these very very tough financial times.

MR. L. SHERMAN: Well, Mr. Speaker, I will try to put it more succinctly. Is that financial assistance that the Minister is talking about tied to the fact that the CAS of Winnipeg has to get rid of Betty Schwartz, in order to comply with this government's ambitions?

HON. L. EVANS: Mr. Speaker, in all of our discussions and negotiations we're looking at the agency as a whole, and its ability to service the clientele that it has to service, and in that respect decisions of this kind which are so fundamental, cannot be tied into any one particular individual.

International Peace Gardens

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, my question is for the Minister of Economic Development and Tourism. The International Peace Garden has for a number of years received support from Provincial Governments, and presently gets a grant of \$50,200 a year. Can the Minister advise whether or not there are any new grants or initiatives, planned by the Minister with respect to the International Peace Garden?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Mr. Speaker, it gives me great pleasure to share with the House the announcement that will be made shortly, later this morning, of programs under one of the Destination Manitoba Programs, Program 3. This is for non-profit rural tourism attractions, and one of the recipients of those grants will be the International Peace Gardens.

Inco - Hydro generating plants

MR. SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Mr. Speaker. Yesterday the question of a proposed agreement with Inco in regard to ownership of Hydro generating plants, came up in this House. I was wondering if the Minister of Finance can confirm that in April of 1981 a question was asked in this House by one, Mr. Cherniack, of the then Minister of Energy and Mines, in regard to the prospect of such an equity arrangement being negotiated; and that this question, Mr. Speaker, came

11 days after a letter was received from Inco requesting exactly such an arrangement, and that the then Minister of Energy and Mines denied that any such discussions were taking place.

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Speaker. Well, I do happen to have Hansard of Tuesday, April 21, 1981 right before my very eyes, and Mr. Cherniack asked on Page 2880: "Is the government now, in its negotiations with Inco, becoming involved in the possibility of a sale to Inco or indeed, to any other private enterprise, of land sites which make it possible for these enterprises, Inco or any others, to become owners of plants on the rivers of Manitoba, for the production of hydro-electric power."

The answer by Mr. Craik: "Mr. Speaker, my understanding is that the negotiations with Inco, although not entirely completed yet, call for system rate power, the same as Hudson Bay Mining and Smelting and other large consumers, on a 5-year contract basis; that is, would fix it at industrial consumer rates for the next five years." That was the answer Mr. Craik gave to that question; and yes indeed at the time, the government was in receipt of a letter dated April 10, 1981 from Inco proposing that they be given water rights on the Burntwood River.

MR. S. ASHTON: Well, Mr. Speaker, the member opposite said, "am I for or against Inco?" I think the real question here is what the previous government was trying to do. I am wondering, in this regard, whether the Minister of Finance can confirm that the draft Order-in-Council stated: "Whereas it is considered expedient and desirable to recognize the role played by Inco in opening up Northern Manitoba, and establishing there an industrial base;" in other words, Mr. Speaker, that the previous government was seriously considering giving Inco an equity participation in development of the Burntwood River based on commitments they'd made 25 years previously, despite the fact that they had received preferable rates for 25 years in Northern Manitoba. — (Interjection) — In other words, Mr. Speaker, could the Minister of Finance confirm that the previous government was seriously concerned in giving away equity-ownership on the Burntwood River for no other reason than recognizing the role that Inco played 25 years prior to that agreement?

HON. V. SCHROEDER: What I can confirm is that I had been referring to a draft Order-in-Council which I indicated all along was unsigned. However, that document does say that in consideration, partially, of Inco's historical role in Northern Manitoba, that he, the Minister responsible for Manitoba Hydro recommends that, "subject to any necessary statutory amendments required for that purpose, the Board be authorized to grant to Inco an option to acquire an equity interest in the future hydro-electric generating station on the Burntwood River at any time within a period of 5 years from this date."

Now, Mr. Speaker, I am prepared to table this document, and I point out to the House that just 11 days after the letter from Inco we had Mr. Craik telling

the House that things were the same as with Hudson Bay Mining and Smelting. What happened in the Cabinet room at that time is for members who were present then, to explain. — (Interjection) —

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, can the Minister of Finance, who seems so well informed on these issues, confirm that Inco and Manitoba Hydro concluded an agreement prior to the election in 1981 which called for Inco to pay system rates for their power, the same as Hudson Bay Mining and Smelting does at Flin Flon?

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Speaker, what I can confirm is that it appears that at the time that answer was given out, there was considerable consideration given . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please. Order please.

HON. V. SCHROEDER: . . . and he can certainly take a look at the agreement. The agreement speaks for itself as well.

Vegetable workers

MR. SPEAKER: Order please. The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, I direct this question to either the Minister of Agriculture or the Minister of Labour. The other day, travelling through my constituency, I noticed an obvious family of migrant vegetable workers working in a vegetable field, a family - a mother and father, a young son, two very attractive daughters - but what worried me, there were also several very small children, they couldn't have been more than five or six. My first question is, during this period of high unemployment, has the department issued any permits or work visas for vegetable workers, foreign vegetable workers to work on Manitoba farms?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Speaker, the honourable member knows that there is a longstanding agreement between the vegetable producers, the Federal Department of Immigration, and we are involved in that; and there are annual allocations of the numbers of vegetables workers, migrant workers, offshore workers, as the term is used, that do come in. There's been a progressive reduction in the number of workers over the years, and annually there is a reduction, but there are still, I believe - and I will go from memory - something in the neighbourhood of 30 workers allowed under the immigration rules to come to this province.

MR. H. ENNS: Mr. Speaker, a supplementary question. I had occasion to stop and visit with the family briefly.

It was difficult to communicate, only the mother could speak broken English, but she seemed to indicate that they were from Tucson, Arizona. Is the ministry aware of American migrant labourers coming to work in our vegetable fields? I didn't get the name, Sanford, Stanford, some such name like that, but can the Minister confirm how many permits of this kind have been issued this summer?

HON. B. URUSKI: Mr. Speaker, I can't confirm that because the permits are not issued by my department or any provincial government. They are federally handled through the Department of Immigration, but certainly - and the honourable member was, at one time, Minister of Agriculture and would, no doubt, know something about the procedures - but I certainly will enquire. I don't think there is any prohibition as to where the workers come from; if they are offshore, they are offshore — (Interjection) — Well, Mr. Speaker, there is no discrimination as to where the workers come from, provided they are required and they are suitable to the employer.

MR. H. ENNS: A final supplementary, Mr. Speaker. I did express that concern about the young children being in that work force, although I must admit when I stopped only the mother was working, the rest of the family seemed to be having a picnic. She had a hoe in her hand and was thinning and working in the vegetable field. Does the department do any monitoring in this regard to make sure that underaged children are not in any way exploited?

HON. B. URUSKI: Mr. Speaker, it would have been my hope that the honourable member would have helped that family out if they needed some assistance.

Intertec - Gilbert Plains

MR. SPEAKER: The Honourable Member for Roblin-Russell.

MR. W. MCKENZIE: Thank you, Mr. Speaker. I have a question for the Honourable Attorney-General. Mr. Speaker, I'd like to ask the Attorney-General if he considers it satisfactory, from a law enforcement point of view, for the Village of Gilbert Plains to be forced into hiring a private policing firm by the name of Intertec to police their village instead of the RCMP?

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: First of all, I don't want my answer to be considered as, in any way, reflecting on the capability of the firm mentioned in the question by the member. Speaking as the Attorney-General, and one who directly deals with the RCMP, in terms of the policing contract, I'd certainly much prefer to have the RCMP be the police force used by towns and villages under the extension contracts where that's at all possible. The town in question felt that the cost was more than it could handle, and then went out on the market to contract with a private firm. I would rather they hadn't made that decision, but it was for them to make.

MR. W. MCKENZIE: Thank you, Mr. Speaker. I have another question for the Attorney-General. I wonder, can the Attorney-General advise the House if the government or his office have any plans to subsidize towns or villages in the province such as Gilbert Plains, who find that they're unable to meet the escalating costs of RCMP services?

HON. R. PENNER: Mr. Speaker, we are concerned about the problem of towns and villages and municipalities with respect to their policing obligations and, as a first step, the responsibility for funding, and some funding is taking place, has taken place for a number of years, has been transferred to the Department of Municipal Affairs where the whole scheme and basis for funding is now under review. We hope to make it much more equitable and we hope much more useful than it has been in the past, such changes as there may be will be effective in fiscal 1984-85.

MTS - rural service

MR. SPEAKER: The Honourable Minister of Government Services.

HON. J. PLOHMAN: Yes, Mr. Speaker, two days ago the Honourable Member for Pembina asked me a question regarding the Telephone System and line loading over the last number of years, and I want to provide some information to the honourable members on that.

First of all, the honourable members had indicated that under the previous government, initiative had been taken to lower the line loading in rural areas. That is not correct; that program had been undertaken in the mid-70s by the previous New Democratic Government and, since 1976, it has reduced the party line loading in rural Manitoba from 5.2 in 1976 continuously down. In 1977 it was 4.8; in 1978 it was 4.0; in 1979 it was 3.8; in 1980 it was 3.0; 1981 it was 2.9; 1982 it was 2.8. I'm informed that in 1983 there's only a variance of approximately 1 percent, which would mean something like from 2.81 to 2.82 or something like that. It's still in the 2.8 range.

Mr. Speaker, I'm also informed that 260 applications have been made of the Telephone System for private line service since the maximum \$500 cap was put on for the private lines, where the facilities were available; and that is only less than 1 percent of the 50,000 customers on party line service in rural Manitoba, Mr. Speaker. So, I'm informed by the Telephone System that there's only a very small variance in the line loading.

Another important fact that was raised is that the number of customers on party lines, at the maximum number of four per line, was 29 percent in 1982 and, as of April 1983, it's 28.6 percent, so it is indeed dropping, Mr. Speaker. That is contrary to what the honourable members have been saying, and also contrary, and shows, Mr. Speaker, that they were simply trying to make a big scare for the people of rural Manitoba out of an issue that just does not exist.

Employment Standards Branch re babysitters

MR. SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Mr. Speaker, yesterday I asked the Minister of Labour a number of questions about the situation involving a Mrs. Normand, who is being ordered to pay over \$900 to a babysitter, by order of the Employment Standards Branch under legislation, passed by the government at the last Session of the Legislature; does she have any answers to those questions today?

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: Mr. Speaker, as I indicated yesterday I would get complete information for the member; I have partial information. I would prefer to wait until Monday when I can give him all of the information that we have available. The question was asked yesterday afternoon and it is not even 24 hours since that question was asked. I would prefer to give a complete answer on Monday.

MR. G. MERCIER: Mr. Speaker, in view of the fact with the school year ending, and a number of mothers who have had children enrolled in school will be requiring babysitters for the summer months while they work, or as is customary a number of mothers hire young schoolage girls to act as mother's helpers during the summer months, can the Minister of Labour advise the public of Manitoba as to whether or not, if those persons who are employed for babysitting purposes over the next few summer months over 24 hours, they will be required to pay the babysitter \$4.00 per hour?

HON. M.B. DOLIN: Mr. Speaker, the member raises the question of the definition of a domestic. That definition will, I suspect, be clarified when the case is heard before the Labour Board. As the member knows, the employer in the case that he has pointed out, has appealed to the Labour Board regarding this decision of the Employment Standards Branch, or the Employment Standards Director. The question that he asks is about a babysitter. We have rather clearly defined that it is a domestic that we are talking about.

Now what is defined in the role of a person helping around the house, doing the work that women have done for hundreds of years, thousands of years, is a question that does need to be defined. The value of that work is something that we have, in fact, in society not defined or, in fact, put a value on. So it's a difficult and new definition that we are working with.

The question of casual babysitting is not the one that we are dealing with. Care of children when parents go out in the evening, or the afternoon, or the morning, by a babysitter is not what we're talking about; we are talking about a domestic in service to a family, paid by that family, and working more than 24 hours a week.

MR. G. MERCIER: Mr. Speaker, we are talking about over the summer months, thousands of cases where women who work because day schools, nursery schools have closed, who will require babysitting services in the home, or mothers hire young girls as helpers in the home to assist with the children - we are talking

about thousands of cases - are these thousands of mothers who are planning to hire young girls to assist them over the summer months supposed to await the decision of the Employment Standards Branch and then find out that they're going to have to pay their babysitter over \$900 extra at the end of the summer after arrangements have been made? I think some advice and clarification is required now from the Minister of Labour.

HON. M.B. DOLIN: Mr. Speaker, I do not advise the Manitoba Labour Board, nor do I interfere with its decisions. This particular case is before the Labour Board, and I would remind the member that what he is talking about really comes right down to, what is the value of the work that women have been doing in the home.

MR. G. MERCIER: Mr. Speaker, there are thousands of these situations that are about to happen during the summer months this year. A clear statement is required by the Minister of Labour as to their liability with respect to hiring young people to perform this service in the home. Will they be required to pay \$4.00 per hour or not, if these people work for them over 24 hours in the home?

HON. M.B. DOLIN: Mr. Speaker, I believe that I have answered the question as fully as I can at this time. I have indicated that I will get specific information in response to the question asked yesterday and I will answer that on Monday. I will not direct the Manitoba Labour Board on this or any other issue.

Russell Doern - new book title

MR. SPEAKER: The Honourable Member for Springfield.

MR. A. ANSTETT: Yes, Mr. Speaker, I have a supplementary question to questions asked yesterday by the Member for Roblin-Russell for the Minister of Cultural Affairs. I am wondering if the Minister's department is considering giving a grant to any particular Manitoba publishing house, in view of their accepting, for publication, any forthcoming manuscripts from the Member for Elmwood.

MR. SPEAKER: The Honourable Minister of Cultural Affairs.

HON. E. KOSTYRA: Mr. Speaker, I am indeed pleased to see the interest by members on both sides of the House in Manitoba publishing firms and Manitoba publishing policy. There is a good industry developing in the publishing field in the Province of Manitoba. The government does not give direct grants to any publishers, or to any writers, for the publishing of books. That is done through the Manitoba Arts Council, and they give grants based on the literary quality and the content of the book. So I do not believe that such a book that is being suggested would fall under those grants.

MR. SPEAKER: Order please. The time for Oral Questions having expired. Orders of the Day.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before Orders of the Day, may I direct the attention of honourable members to the gallery where we have 50 students of Grades 3 and 4 from the Norquay School. They are under the direction of Mr. Sockram. The school is in the constituency of the Honourable Member for St. Johns.

On behalf of all of the members, I welcome you here this morning.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Yes, Mr. Speaker. Would you please call the Adjourned Debates on Second Reading in the following order: Bills No. 3, 48, 90, and then we will see where we go from there.

ADJOURNED DEBATES ON SECOND READING

BILL 3 - THE FARM LANDS OWNERSHIP ACT

MR. SPEAKER: On the proposed motion of the Honourable Minister of Agriculture, Bill No. 3 standing in the name of the Honourable Member for Turtle Mountain.

MR. B. RANSOM: Thank you, Mr. Speaker. I have a very personal interest in this bill. First of all, because it violates by constitutional rights; and secondly, because it is going to deprive me of the right to earn a livelihood. Mr. Speaker, for 16 years I have been a shareholder in a corporation, Ransom Farms Ltd., with my father and my two brothers. We have from time-to-time raised cattle with Ransom Farms Ltd.; primarily we raise grain and hay. We have farmed, on occasion, up to approximately 2,000 acres; at the moment we work approximately half that amount. We have chosen, because of administrative convenience, to conduct business through the corporate structure, even though there are disadvantages to individuals to farm by way of a corporate structure. For example, there are limitations placed on the permits that can be obtained through the Wheat Board. An incorporated farm is entitled to one permit book, whereas if the four to five shareholders were farming on their own, they would all be entitled to permit books. Since government from time to time makes payments based upon permit books, this, of course, is a disadvantage to being incorporated under these circumstances.

In addition, of course, things like the licencing of trucks as to whether or not an individual can licence a truck as a farm truck depends on whether or not you are incorporated or whether you're operating as an individual. If you are incorporated and working in effect for your corporation, you cannot, as an individual, licence a truck as a farm truck. So there are disadvantages to being incorporated, but there are also advantages in terms of the organizational structure, the convenience of being organized in a disciplined

fashion, which is the case when one has a corporate structure.

What we hear from the members of the opposition, the members of the government, continues to be that they somehow see something wrong with a corporate structure, that somehow the only reason people form a corporation is to rip off the public. — (Interjection) — Well, Mr. Speaker, if the member would be prepared to listen, as he has not been prepared to do to the debate on much of the legislation, there is just a possibility that he might learn something.

For much of the 16-year period, Mr. Speaker, we took nothing out of the corporation; indeed, as shareholders, we contributed our time, our labour to work on the farming operation through Ransom Farms Limited. Indeed, we took money that had been earned outside of the corporation and put it into the corporation in order to be able to finance the operation. We rented land from shareholders, we rented land from other people who lived in the area and, indeed, we rented land from people who didn't live in the area, Mr. Speaker. We actually rented land from people who lived in Winnipeg.

We operated for eight years on rented land alone before Ransom Farms Limited even bought a piece of land, and we managed the soil on our farm in such a way that we will leave it unimpaired for the future, Mr. Speaker; and I'm proud to say that my father has a reputation as a pioneering soil conservationist that extends across the Province of Manitoba and most of North Dakota.

We have from time to time suffered substantial losses financially through Ransom Farms Limited and more frequently have made modest gains. We have always managed to be sufficiently efficient and competitive to be able to remain in business, as farmers have to be. Yet, Mr. Speaker, despite all that, Ransom Farms Limited is not a family farm corporation. If they will look at the definitions in Bill 3, they will see that a family farm corporation means a corporation that is primarily engaged in the business of farming and of which not less than two-thirds of the issued and outstanding shares of all classes are legally and beneficially owned by farmers, etc., and which is, in fact, under the control of farmers.

A farmer, of course, Mr. Speaker, according to the act, is someone who receives a significant portion of his income either directly or indirectly from his occupation as farming, or who spends a significant portion of his time actively engaged in farming. Mr. Speaker, the major shareholders of Ransom Farms Limited could neither be said to spend a significant proportion of their time working with that corporation, nor do we draw a significant portion of income from that corporation. Therefore, Mr. Speaker, since Ransom Farms is not a family farm corporation, it cannot have an interest in farm land; it cannot have an interest in farm land according to this bill that we are being asked — (Interjection) — The Minister of Natural Resources says my interpretation. Read the bill; that's what the bill says. If these people would only realize what they are doing to the public of Manitoba, they are taking away the livelihood of people, and I'm giving you an example of how you're taking the livelihood away from people. You're taking my livelihood away.

MR. SPEAKER: The Honourable Minister of Natural Resources on a point of order.

HON. A. MACKLING: No, Mr. Speaker, I wanted to ask the honourable member a question.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. A. MACKLING: The Honourable Member for Turtle Mountain may be prepared to answer questions; maybe some of his colleagues are not prepared to answer questions.

MR. SPEAKER: Order please.

HON. A. MACKLING: I'm asking whether the honourable member would be prepared to answer a question.

MR. SPEAKER: Order please. The Honourable Member for Turtle Mountain.

MR. B. RANSOM: I'm not prepared to interrupt my speech for a question. If there's time when I'm done or if the House is prepared to grant leave, I'd be happy to answer the question when I'm finished.

Mr. Speaker, this bill says that Ransom Farms Limited will not be a family farm corporation and, therefore, it cannot have an interest in land except as is grandfathered by this bill dated back to April 1, 1977. That is another feature that is absolutely ridiculous about this bill, Mr. Speaker. I can buy a piece of land but I cannot rent it to a corporation which I own and wants to farm that land. How stupid can these people be in putting together legislation, how stupid, because that's what this bill does.

Mr. Speaker, Ransom Farms Limited, and I know there will be many others like it, and I'm using this example because it happens to be one with which I'm familiar, and perhaps when I can tell these members, these government members, of a first-hand experience, perhaps they might listen. I have that hope that they do and, certainly, I hear on the other side, from time to time, comments about conflict of interest. You're damned right I've got a conflict of interest here, Mr. Speaker. I've got an interest at least in my livelihood, and I'm interested in what happens to the rest of the people in this province, because I know that there are others in exactly the same situation as we are; and what this bill says now is that corporation cannot purchase, cannot lease any more land because it is not controlled by farmers.

We have been farming for 16 years with that corporation and we have been building for the future in that corporation; putting money into it, putting labour into it without taking anything out, and these people are going to take it away because, in this day and age, if you can't expand your operation, Mr. Speaker, you're not going to be able to survive, and this bill denies us the right to expand. If the shareholding structure in that company changes, then we may have to divest ourselves; that company may have to divest itself of the land that it now owns, Mr. Speaker, unless I am prepared, we are prepared to go on bended knees to a board of politically appointed hacks that this government will put in place and beg for our right to be able to pursue a livelihood in this province.

Mr. Speaker, it is absolutely outrageous to see this sort of legislation before the House, and surely there

must be some members on that side of the House who are prepared to sit down and look at this bill and realize what it is going to do to Manitobans and withdraw it until they can come in with a bill that is going to accomplish what we all agree should be accomplished; and that is to put a control on foreign ownership of farm land in this province, . . .

MR. H. ENNS: That's where we all started from.

MR. B. RANSOM: . . . not to deny people the right to pursue a living. Mr. Speaker, that brings me to the constitutional part and, needless to say, I am not a lawyer; but one of the reasons for having a Constitution is that the rights of people were set down presumably in a way that they would have meaning to the people of the country. So let's look at what the Constitution says.

First of all, under "Mobility Rights" - I'll return to that one, pardon me, when we're dealing with the Canadian citizenship aspect. First of all, look at the "Legal Rights," Mr. Speaker, which says, "Everyone has the right to life, liberty and security of the person." Mr. Speaker, being a layman, I don't have a legal definition of "liberty" at hand, but I have before me Black's Law Dictionary, and among the things that dictionary says about freedom is "freedom from restraint under conditions essential to the equal enjoyment of the same rights as others." It also refers to the "right to carry on business."

Mr. Speaker, what this government is doing is taking away my right to use the corporate structure to carry on business in Manitoba. That right is available to the Minister of Highways if he wants to put together a holding company to keep his condominiums, etc., and his real estate holdings, he can do it. He can do that, but if I want to have my farm land worked by a corporation, I can't do it. Mr. Speaker, that is contrary to the Constitution of Canada. If ever there was anything that violates the liberty aspect of this Constitution, it is the fact that I do not have the equal right to conduct business by the means that are available to other Manitobans.

Mr. Speaker, under "Equality Rights" in the Constitution, Section 15(1), "Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination." What does this government think they are doing discriminating against people who want to conduct farming operations, who want to own land through a corporate structure? Why are they doing this? What they are doing, as far as any rational person reading the Constitution can make out, is clearly contrary to the Constitution of Canada.

Mr. Speaker, I have to come back to the only word that I can use to describe it. It is just an outrage that this government would suppose that they could take away the rights of Manitobans in pursuit of some ideological objective which they have. This isn't being done to control foreign land ownership, Mr. Speaker, not at all; this is being done to control speculation and investors.

HON. B. URUSKI: That's right.

MR. B. RANSOM: The Minister of Agriculture says, that's right. Well, Mr. Speaker, that is contrary to the

Constitution as well, when they try and place those kinds of restrictions on Canadians, because under the Constitution, and this is under "Mobility Rights," Section 6(2): "Every citizen of Canada and every person who has the status of a permanent resident of Canada has the right: (a) move, take up residence; (b) to pursue the gaining of a livelihood in any province." And it says there is a limitation, Mr. Speaker, and it says, "The rights specified in Subsection 2 are subject to any laws or practices of general application in force in a province, other than those that discriminate among persons, primarily on the basis of province of present or previous residence."

It specifically says you can't discriminate on the basis of province of residence, and what they're trying to do is discriminate against other Canadians, first of all. I can tell you, Mr. Speaker, aside from any legal question, that the vast majority of Manitobans don't agree with that. They want all Canadians to be equal. They want all Canadians to be able to own farm land in Manitoba.

The Manitoba Farm Bureau, which represents the vast majority of farmers in this province, has told this government that they want Canadians to be able to own farm land in this province, that the people they represent want Canadians to be able to own farm land in this province; but this government goes blindly ahead, contrary to the wishes of the people, contrary to the Constitution of Canada, pursuing their ideological fetish that somehow people who invest in land or - goodness knows, Mr. Speaker - speculate in land, that should not be allowed. That is, you can do it as an individual, Mr. Speaker, as an individual Manitoban can speculate on land or he can invest in land, but if you try and do it through a corporation you can't do it, or if you're a Canadian you can't do it.

This bill is a nightmare of drafting and a nightmare of ideological garbage that these people are hung up on, Mr. Speaker, and what we see is the kind of thing that I have described to them as to how this bill is going to affect me personally, and how this bill is going to affect other Manitobans, because we are not alone in using this kind of structure.

There are all kinds of people in Manitoba who are trying to become established as farmers, that's their objective to become farmers. They have incorporated; they are contributing labour for nothing; they are out earning money elsewhere and putting into their corporation. They may have gone to Alberta, or to B.C., or Saskatchewan in previous years to earn money to put into their operation, and this government is going to deny them the right to do that - outrageous, Mr. Speaker - deny them the right to do that.

At the same time the Minister of Agriculture goes on with his sometimes inane comments about what he's trying to do with this bill. He says, "We are concerned with the preservation and strengthening of owner-operated family farms." Mr. Speaker, this bill is going to make it more difficult for the viable farm operation in this province. He is first of all assuming that farms are owner-operated, that it is the only type of farm. Are we concerned with preserving and strengthening owner-operated farms? This Minister is not even aware of the structure of how farming operations are carried out in this province. It so happens that straight owner-operated farms are not the most significant form or the most viable form of conducting farm operations in this province.

Mr. Speaker, he makes arguments that there's too short a time to provide a tenant with adequate security. They don't like the concept of land being rented. They use as an argument that people can't get a long enough tenure on the land. Has he any evidence of that? Has the Minister one shred of evidence for that? No. What he's doing is following the same kind of ideology that the Minister of Housing put forward, that farmers in Manitoba were becoming serfs in the words of the Minister of Housing. They imagine that this kind of thing is going on. — (Interjection) —

Mr. Speaker, it is almost an insult to hear the Member for Inkster opening his mouth, talking about something of which he knows absolutely nothing, absolutely nothing. Mr. Speaker, the Minister talks about instead of owner-operated family farms, large blocks of land will be held by few people. Mr. Speaker, I can quote - I don't happen to have my copy with me - but I can quote from the 1882 introduction to the Russian edition of the Communist Manifesto which is almost word for word, that that was what was happening, that the land was all going to become congregated, aggregated in the hands of the big corporations and a few people. — (Interjection) —

He goes on to say that speculators, like foreign speculators, they acquire land which might otherwise be worked by existing or beginning farmers. I don't know what the foreign speculator or investor is going to do with his land if it isn't worked by some farmer, Mr. Speaker, but nevertheless the Minister says that they're acquiring land which might otherwise be worked.

Then in his statement he puts forward the sort of sanctimonious drivel that simply just doesn't do credit to the Minister. He says, and I have to tell you, "When it comes to a choice between supporting Canadian and foreign speculators, or supporting existing and future generations of farmers, my sympathy and support is with the farmers of this province." Mr. Speaker, to try and say that that kind of statement is somehow related to what the government has done in Bill 3, just doesn't wash.

Mr. Speaker, I want to tell the Minister about how some of the farming operations are structured in this province. I've taken the trouble to go through some of the statistics which are available from Statistics Canada - if I can locate everything here, Mr. Speaker - to see what has happened to the numbers of farms and to the structure of farms in Manitoba over the last 20 years. There are some very interesting facts that emerge from looking at Statistics Canada figures.

Mr. Speaker, one of those interesting facts is that of the total number of farm operations in Manitoba, from 1961 to 1981, that the proportion of tenant farmers has always ranged between 6 and 8 percent. It was 8 percent in 1961, it dropped a bit; it's 8 percent again. So over a period of 20 years the number of farmers who are purely renters of land, tenants - the Minister of Housing might indeed use that description - Mr. Speaker, those numbers have not increased so there is absolutely no information to show — (Interjection) — Well, Mr. Speaker, the Minister of Municipal Affairs says that's not true. Mr. Speaker, these are the figures that are put out by Statistics Canada. Now, does the Minister of Municipal Affairs have statistics that are more accurate than those that are published by Statistics Canada, gathered during the census periods for Canada?

MR. H. ENNS: They just have little university studies 10 years out of date.

MR. B. RANSOM: These people are absolutely immune to any kind of reason, Mr. Speaker; they don't want to listen to any facts. These aren't my figures. These are figures from Statistics Canada and they say that the number of tenant farmers, the proportion of tenant farmers among total farmers has remained constant. So there isn't this great shift of land being bought up and unavailable for farmers, and that they're being forced to rent land. It hasn't changed. It hasn't changed, Mr. Speaker; the numbers have changed. There were 3,459 tenant farmers in 1961 and it's now down to 2,259.

Mr. Speaker, I wonder if you could appeal to the Member for Inkster to try and stop his mouth from flapping in the wind long enough that his ears might take something in that would allow him to learn.

HON. A. MACKLING: Will the honourable member permit a question?

MR. B. RANSOM: When I'm done. There are other interesting trends available in this information. One of those is the numbers of farms operated by people who are the sole owners of their farms and, of course, those numbers have gone from something like 28,000 down to 16,000 from '61 to '81. The proportion has dropped from 65 percent of all the farms to 55 percent in 1981. Looking at those two figures alone, one might begin to say, yes, it would appear that the owners of farms here are being squeezed out, that people who are solely owner-operators are being squeezed out; but when you examine the information further, Mr. Speaker, one finds something that I find extremely interesting and I hadn't realized this until I looked up the figures. That is, that the number of farms that are operated by people who both rent and own land has remained almost exactly constant for 20 years. There were 11,581 such farms in 1961; there are 11,100 in 1981. So that while the number of tenant farms were going down, the number of owner-operated farms were going down, the number of those that are combined stayed the same. Mr. Speaker, those are the farms, judging from the information on farm size, that are the most viable commercial farms because their size in 1981 averages 973 acres, whereas a tenant farm has 633, the owner operated is only 410.

There's an interesting thing, too, that the trend in size of owner-operated farms has actually gone down from '76 to '81 and is now the same as it was 10 years ago and not that much larger than it was in '61, which indicates, without having proof available, that the purely owner-operated farms are probably older farmers who clearly own their land and are working towards retirement. They may, at one time, have had more land, they've contracted the operation and they are continuing to operate; but since the size of them is not going up, one can only assume that they may be in a different type of operation.

Whereas the tenant farms, the size of tenant farms has increased in approximately the same proportion as the size of both tenant and owner-operated farms, the rented and owner-operated, indicating that there

has been really no restriction on tenant farmers either in terms of how they could expand.

Mr. Speaker, another factor which is of extreme significance to me, and it should be to the Minister of Agriculture, is that of the 11,000 farms that have existed for 20 years and not necessarily the same farms obviously but the numbers are equal, they have maintained for 15 years at least, because I couldn't get the information for 1961, but for 15 years the proportion of owned land to rented land has remained exactly the same, 56 percent. Now the total land operated during that period of time has gone from 8 million to almost 11 million acres, but those people have maintained that exact same ratio of owned to operated land, which means there is no indication in those figures that people are finding it impossible to buy land.

But what it also says, Mr. Speaker, is that an absolutely essential feature of farming in Manitoba is that there be a pool of land available for rent. That absolutely has to be, Mr. Speaker, and anything that this government — (Interjection) — Well, Mr. Speaker, if the Minister of Agriculture would just listen a little bit, because there is more to having the land available for rent than appears on the surface. What is important, I would say next to having the land available, or perhaps even more important than having the land available, is that it be available on a competitive market; that in order for farmers to survive, they have to be able to go out and compete for a piece of land that comes available for rent. If that farmer sees that he needs another half-section to be able to support some change in the operation, he has to be able to go out and compete. If that land is available through a government land bank, Mr. Speaker, it is not available on that basis, because what the government did when they had land of that nature, was they awarded it on a point system according to who the government thought deserved the land, not according to the marketplace. If there's one thing by which farmers live and die, it's the marketplace, and if this government is going to take away that pool of land, then they are going to impair the ability of the farming industry to survive in this province.

Mr. Speaker, what happens, and I'm going to make a case for the - well, the Minister of Agriculture isn't listening. It's so obvious that the Minister of Agriculture has his mind made up on this issue, doesn't wish to be confused by the facts at all.

MR. SPEAKER: Order please. The Minister of Agriculture on a point of order.

HON. B. URUSKI: Mr. Speaker, the honourable member is imputing motives to myself. I have been making notes and listening the honourable member's speech. I wish that he would not impute motives to me that I am not listening.

MR. SPEAKER: I thank the Honourable Minister for those remarks of clarification.

The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, if the Minister indicates that he's listening, then he shouldn't be indicating from his seat that he has his mind made up.

MR. B. RANSOM: There is an argument to be made for, if you wish, the speculator and the investor. Now, these people may not see that this is the case but, Mr. Speaker, there clearly is a requirement, a large requirement for rented land. The person who wants to start farming today is hardly likely to expect that they are going to go out and purchase a piece of land and purchase the equipment and start farming, unless they've already got it made somewhere else.

What they do is work some arrangement with an existing farming operator to use some of his equipment and they rent a piece of land, and that's the way it starts. They're not taking anything out of the system; they're earning their money somewhere else; they're renting equipment from somebody else; they're renting land. Extremely important that that land be available.

The investor and the speculator provide some of that land. It's extremely important to an operator who wants to expand, perhaps the family members are growing up, they don't know for certain whether they want to be farmers or not, continually, so they don't want to enter into the purchase of additional land. What they want to do is rent some land for an additional period of time, and they may want to get rid of it again in three years, or five years.

Mr. Speaker, it is important to a farmer who, perhaps, has been operating a certain size of farm and wants to trade-up his equipment and he's got a big capital investment which he has to carry for a while, so he wants to rent an additional half section, or additional section, and work it for three years while he carries the main part of the depreciation on that equipment; and when he gets it back down to where he can handle it he'll give up that piece of land and then go back to working the base he has before.

So there is a need for land to shift from one operator to another without the interference of government. Mr. Speaker, these people seem to think that a speculator, or an investor, can extract any price they want from someone who works that land. Let me tell you, Mr. Speaker, the person who has land for rent has to take what somebody is prepared to rent it for, and very often, very often you can rent land more cheaply than you can own it. There are a great many cases out there where the person who is renting that land is getting it at a cost that is less than the cost to own it.

So, Mr. Speaker, one cannot assume that it is bad to have people owning land, as investors or, indeed, even as speculators; and if those people live in Winnipeg and own a piece of land out in southwestern Manitoba, or in the Red River Valley, or the Swan River Valley, or whatever, that land is going to be part of the system of agricultural production in that area, and it will contribute to the efficiency of the agricultural system in that area; far from detracting from it, Mr. Speaker.

Although there may be periods of time when speculation appears to push up the price of land, I think that an examination of that would show that it's highly unlikely. Information available from Saskatchewan, for instance, or from Federal Farm Credit, indicates that farm prices have been rising faster in Saskatchewan than they have anywhere else, and Saskatchewan has this kind of law in place, against so-called speculation and foreign ownership of land and non-residents, Mr. Speaker, yet the price goes up. It's not those people who push the price of land up and, Mr. Speaker, I appeal

to this government to examine this legislation and see how they are crippling, they are going to cripple the agricultural industry in this province and deny people their constitutional rights.

MR. SPEAKER: Are you ready for the question?

HON. A. MACKLING: Did the member have any time left, Mr. Speaker?

MR. SPEAKER: The member's time has expired.

HON. A. MACKLING: Oh, pity. Coward, coward - you're a . . .

MR. SPEAKER: Order please, order please. It would require leave of the House for the honourable member to accept a question. Does the honourable member have leave? Leave has been denied.

The Honourable Member for Tuxedo.

MR. G. FILMON: Mr. Speaker, I move, seconded by the Honourable Member for Fort Garry that debate be adjourned on this bill.

MOTION presented and carried.

MR. J. DOWNEY: Mr. Speaker, I have a point of order.

MR. SPEAKER: Order please. The Honourable Member for Arthur on a point of order.

MR. J. DOWNEY: Yes, Mr. Speaker. I would like the Minister of Natural Resources to apologize to the Member for Turtle Mountain in this House, who called across the House that he was a coward, and then wouldn't answer his question, and then wouldn't give the Member for Turtle Mountain leave. He called the Member for Turtle Mountain a coward; who's the coward, Mr. Speaker. And then denied him the right to answer the question because he wouldn't permit leave.

MR. SPEAKER: Order please. The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, I take the practice when I'm speaking in the House, if an honourable member rises and has a serious question, then I think it's in the interests of this House that the question be put. But honourable members who are afraid to answer questions, then they follow the practice of the Member for Turtle Mountain, and I described that in the manner I did and I think I was correct.

MR. R. BANMAN: On a point of order, Mr. Speaker.

MR. SPEAKER: The Honourable Member for La Verendrye to the same point.

MR. R. BANMAN: Mr. Speaker, there is a mechanism where members, after someone has spoken, can ask questions and, if they really want an answer to that question, they can give that individual leave. If the Minister of Natural Resources says that he entertains

questions which are of a serious nature, let me say that one of the problems we have in this House, is that every time he gets up the questions aren't serious.

MR. SPEAKER: Order please. May I read Citation 247 to honourable members which deals with this matter, and it has to do with decorum in the House and interruption of members. It says, "A member speaking shall not be interrupted except on a point of order. This prohibition is commonly ignored. It is accepted practice for a member to be asked to explain further some point he has made in debate, or to answer specific questions arising from his speech. The acceptance of such interruptions is entirely at the discretion of the member concerned. He may answer at that time, suggest that questions should be left to the end of his speech, or refuse outright to answer." I think that makes the situation quite clear.

The bill has been adjourned by the Honourable Member for Tuxedo.

BILL 48 - THE ELECTIONS FINANCES ACT

MR. SPEAKER: On the proposed motion of the Honourable Attorney-General, Bill No. 48, standing in the name of the Honourable Member for Virden. (Stand

MR. SPEAKER: The Honourable Member for Inkster.

MR. D. SCOTT: Thank you, Mr. Speaker. It's a pleasure to be able to get up and address Bill No. 48, the new Elections Finances Act for this province, which, Mr. Speaker, I think will be found to have been, and in the future, a model bill for Legislatures across this country.

It is an excellent bill; it is prepared with much thoughtfulness and it's prepared with much recognition as well of the weakness of the previous Elections Finances Bill. It is a bill that recognizes, in the electoral process that we all appreciate so much, that it's been a heritage here in Manitoba ever since 1870; that this electoral heritage is in some danger of being eroded if we keep on rolling along with election expenditures and moving into, virtually, campaigns that are quite foreign to the campaigns that we have traditionally run in this province of candidates getting out and meeting people, of candidates getting out and going door-to-door, and being displaced or replaced by flashing media campaigns.

Probably the key input on this whole bill is toward restraining election expenditures. Election expenditures next time around won't be able to grow hardly at all from where they were this past period. In many instances, Mr. Speaker, election expenses will have to be even reduced from what they were in the last election campaign. As a matter of fact, on a media point, we're only going to be allowed to spend considerably less, I think it's around \$268,000 for the parties, which is approximately what was spent by the two parties in the last election; so we're trying to keep the advertising component - not just the advertising, but the overall expenditures of campaigns themselves - so that campaigns do not become so incredibly expensive that only the rich can afford to run.

You can look at other jurisdictions, and they can look within their own Tory caucus themselves, in their so-

called frugal campaigns that Mulroney ran for the Leadership of the Conservative Party. He spent in his election campaign - not only himself, but also Joe Clark, John Crosbie and Peter Pocklington - all spent more money in their personal election campaigns, or campaigns to lead the Conservative Party of Canada, spent more than a political party is going to be allowed to spend in all of Manitoba.

That is the sort of thing that we're looking at holding down on. The amounts of money they went through were really quite incredible, Mr. Speaker, and with the expenses rolling along as they are, I think it is important and contingent upon ourselves to bring in legislation that helps to contain, in some instances, the wild growth of campaign expenditures.

This bill, Mr. Speaker, will define contributions and what kind of contributions can be given to campaigns. Basically, they're going to be money spent and liabilities incurred and, for the first time, it's going to include donations in kind. Donations in kind, as we all know from both sides of this House, are very important parts of running an election campaign. So we are going to be, in many instances, reducing the total expenditures because things that were not previously classified as expenditures are now going to be classified as expenditures for the first time.

We have a registration system which is somewhat more open than the last registration system was. A party having four seats at the dissolution of the Legislature, a party that fields five or more candidates, or a party that has gained 2,500 signatures; if the Tories want, the Conservatives want more candidates nominated, a higher number of candidates, perhaps we could be flexible in that; if they want eight or ten candidates to be nominated rather than just five, all sorts of things, maybe when we get into second stage, we can show some flexibility here; but the basic principles of it is that a party has to make a commitment to run a significant number of candidates in a campaign before they can be recognized as a political party.

De-registration - parties can de-register themselves voluntarily and they can also be de-registered if they fail to follow the requirements set down under this act, of disclosure; and in particular, financial disclosure. As we have learned in the past couple of years, as we are having more disclosure of election contributions and who's contributing to campaigns and one thing and another, that we're moving into an era where the financial accountability of the campaigns themselves is such an important part of maintaining public credibility in our campaigns. That is why, both provincially and the last time around and also previously to that, federally, we're moving toward a form of disclosure for people, for actual names to be given of people, corporations, unions and associations who contribute more than \$250, that they must be registered - or not registered, but declared.

In this new legislation, we're tightening up and making it, I think, a very sensible requirement, that any receipts for over \$10 in things other than raising suppers and having funds such as suppers, that that as well, when it's being collected, if it's over \$10 amounts, is to be recorded. The names do not have to be disclosed, Mr. Speaker, unless it's over \$250; but the point is that people can't come in and throw all kinds of dollars into a hat and not have to at least have some accountability

as to where the funds came from, because the accountability is really the important part in that section, Mr. Speaker.

Again, in the past, funding fronts have been allowed to operate and those fronts shall now be cut off, Mr. Speaker. No more shall we be putting up with situations where people can operate as fronts, both in running campaigns, parallel campaigns, or in raising funds towards contributions to political parties, that any funds that come through must be designated as to who is giving the monies, who is behind this financial support for that particular political party.

Election expenses, once again, a much broader definition, including donations in kind, and there will be donations in kind declared, as well, at the market value, which is very important because someone can offer services which give a substantial discount to one political party or for one candidate and not offer the same to another political candidate, that the donations in kind that are received should actually be charged through at the going rate, at the market rate of those services.

The election expenses themselves, of who can incur these election expenses, once again, people must be designated by the political parties. The people are no longer going to be able to come in and make anonymous expenditures alongside of a campaign; that anyone who is spending money on behalf of a campaign has to be authorized by the chief financial agent of that campaign, or the candidates, in some instances, I believe, as well. The transferring of resources from political parties and from candidates and that sort of thing, once again, must be accounted for, as it should be, Mr. Speaker.

In the election expenditures - and this I think is really the key part to the whole bill - accomplishes many things. When one is introducing public financing of election campaigns in an up-front way, instead of just through a back door of taxation deductions, because that is public funding as well. I believe in the last campaign it came to some \$600,000 was the cost that was paid through the back door of tax assistance, and must note, once again, that support is not available to any people who do not pay income tax. If you pay income tax then you can get three-quarters of that money back; if you don't pay income tax you're out of luck, and that is, I do not think, a correct system, Mr. Speaker.

When we look at election expenses themselves, and what is included in election expenses; that advertisements shall be included, naturally; the services of persons and the value of those services that go into the campaign; and campaign people working as organizers and managers or office workers in campaigns, if they normally perform that sort of function in their private lives, or if they have a profession, or if they work for an organization or a company, they're doing a particular job and they transferred them into that campaign, then the campaign shall be charged when the person is working on a full time or near full-time basis toward that campaign, so that we'll have a better identification, a better understanding of how much money is going into the campaigns and, once again, who is contributing to the campaigns.

Transportation, rental of office spaces, hall rentals, meeting spaces, posters, leaflets, pamphlets, signs, the

whole gamut of monies that are traditionally spent in election campaigns will be covered. We've got problems with the past system in that, if you look through the election expenditures, on the report that we received just recently on the election commissions of the last provincial election, the figures, because of a lack of requirement to filing, and the confusion behind what was an election expenditure under the act, and what wasn't, created a tremendous amount of confusion in most constituencies. I do not think that the way the information was filed, and required to be filed, in the last act, reflects nothing whatsoever on the electoral office, it reflects on the weakness of the legislation and the poor direction which the legislation previously gave.

On election expenditures, we had, in the last election, a base of about 670,000 voters. We've got a change coming for the next election, the Manitoba population is no longer falling so we may have a little bit higher than that, and hope we will have a fair bit higher than that next time around. That gives the total expenditures for the political parties, where they're only allowed to spend 80 cents per capita in all the ridings that they're running in, a maximum of about \$536,000 to be spent on the central campaigns.

One must look and recognize, as well, the penalties that come along. No longer are people going to be slapped on the wrist, but the are penalties for overexpenditures of up to \$20,000 for parties that overexpend above that limit, based on the last election of, say, \$536,000.00. The spending within the campaigns themselves, within the constituencies, \$1.25. Most constituencies, the average, I believe, of the constituencies in the province is - I guess the largest group are between 8,000 and 11,000. We have 32 of the constituencies running between 8,000 and 11,000 voters registered in the last election. There's a few to get up into the 14,000 and 15,000 bracket, but not too many. That means that in the campaigns the election expenditures will be restricted and campaign of 14,000 voters, which I expect to have in Inkster next time around, a limit on our expenses of approximately \$17,500.00. It's a bit above what we spent last time, both what was accounted in here and other expenditures that are not required to be accountable, although when we filed we gave the elections office every penny that was spent in our constituency, and every dollar and the sourcing, we complied with what we expected the law to require us to file and gave every last penny of expenditures and every particular item, as well.

Many others, I do not think, really did the same thing and I can see, in some candidates in particular, where the things that they've passed around in the campaigns, there's no way they paid for them when you look at the cost of what their election expenditures were, when you look at the campaign material that they put out, that they could it for that same price. The candidates, themselves, are subject to fines and the people working with them are subject to fines, if they overspend.

Another very important provision here is for the large constituencies, the constituencies like Rupertsland, and like Churchill, where travelling expenditures are so high compared to other constituencies, that there is an additional privilege for them to allow election expenditures higher than \$1.25 per registered voter, but up to \$2.00 per registered voter.

Advertising, a limit of 25 cents. I believe that's the same limit that was applied in the last election. If you look at the returns from the last time around, of constituencies that were over that limit, there was only a couple of them that were over. In Flin Flon, a Conservative candidate spent more than the 25 cents per capita; in Dauphin, the Conservative candidate again spent over; in Brandon East, both the NDP and the Conservatives spent over the amount to be allowed; in Brandon West, the same sort of thing happened, the Conservatives and the NDP spent over. Those are the only two campaigns where the NDP actually overspent, as well, of their allowable expenditures. The rest were pretty well all Conservative candidates who had spent amounts over or close to it.

Next time, with this legislation, there would probably be about eight campaigns who, if they to fall and run similar campaigns, would perhaps be in trouble with the 25 cent limit on voters.

The other key point to recognize here is that the campaign, or the advertising expenditures, for the gross amount that is allowed is both the candidate's spending for advertising, within his own campaign, and also at the central campaign level, the total amount of money cannot exceed 40 cents per capita in all the ridings that party is contesting. In other words, the party can spend 40 cents per capita overall, but included in that is a 25 cent per capita limit put on the constituencies themselves. So the figure for the central campaigns is even much less than the estimated \$270,000 figure I gave earlier because quite a bit of the money is also used in the constituencies. That, of course, is dependent on the type of campaign the party wants to run. Our campaigns we never had, like I said, two of them with any kind of substantial advertising expenditures, most of the rest had next to, or very very little. In my own advertising expenditures, most of the rest had very very little. In my own campaign, I spent \$83 on media advertising, and it was certainly sufficient. My opposition spent almost \$2,500, but that obviously didn't help a terrible amount. So maybe we might actually be doing the Conservatives a favour here, unfortunately, in that we're trying to get them to change some of their campaign tactics or the result of the legislation may be to have them change some of their campaign tactics and do more door-to-door work which seems to be relatively foreign to them in the past.

The advertising restrictions, and especially the restrictions on government advertising itself, so that no longer can you have campaigns being run of "you're sitting on a gold mine in the Province of Manitoba" during election campaign. The same thing applies to departments, Crown corporations; they are not going to be allowed to provide or to make large advertising campaigns of any sort other than going and doing the same sort of advertising for jobs, or for explanation, or for program information that is of a continuing nature. You can't stop the process of government and the role of government totally during a campaign, but you can certainly have quite a big impact on it.

Now, why the members opposite are complaining about this, I think really that they're using the public funding aspect of it where your candidates can apply for up to 50 percent of the expenditures within the limits of the expenditures provided and where any party spends more than that limit, not only are they subject

to fines up to, I believe, it is \$20,000 a maximum fine and the candidates' fines I think are \$2,000 as well. It is also a \$20,000 fine for overexpenditure on advertising in the central campaigns as well. So there are two restrictions on advertising and on overall expenditures, both subject to \$20,000 fines. The campaigns themselves are subject to \$2,000 fines. You not only have that but you also have the implications that if you overspend, for every dollar that you overspend you reduce the amount that you're able to claim from the Provincial Treasury to contribute back into the financing of the campaign itself. I would not mind having amendments come forward on that, to take for every dollar that you overspend you lose \$3 or \$5 of election expenditures.

HON. V. SCHROEDER: Move it to \$10.00.

MR. D. SCOTT: Move it to \$10 the Minister of Finance says, and I don't have a great deal of problem with that. I wouldn't have a great deal of problem if there was no financing at all if a person spent over their allowable limit because I think the election finances are a very important part. The spending in the campaigns is as an integral part of our campaigns.

When you look, Mr. Speaker, at donations to political parties you start to see perhaps why some of the members in the parties opposite are a little bit more concerned about why we're bringing forward this legislation. When you look at the campaigns that they overspent in, the campaigns of their expenditures are way higher than is going to be allowed in this campaign and based, I would imagine, on funds that came through. Another fault with our Elections Act, as presently written, is a very poor definition between monies that are contributed locally and monies that are contributed through the party and come back with a candidate.

The other day we had the Member for La Verendrye saying that how he was proud of having local contributions coming into his campaign from local people. He didn't want the public finance of elections, even though he would take the money if it was available. But you see in here, and I don't think this is right, maybe the member could try and dig up some information and give us more accurate information on this, but contributions locally towards a campaign is 000, there are no contributions at all in La Verendrye. It all transfers to the candidate from the political party. I don't think that probably reflects what actually happened in that instance.

I know for Inkster - Inkster is reported accurately, because we did raise about \$8,700 locally in our campaign in the constituency. We turned around and transferred \$4,000 to the provincial party to assist the provincial party in their operations. So the idea that you want to rely on contributions from the local area, from the constituency base itself, and also provide for the recognition of transfers between parties and candidates and vice versa, that disclosure of provisions right now are obviously inadequate when you have so many constituencies where there is no money raised locally.

The only reason I bring up La Verendrye as an example is because the candidate said that he was so

proud of the money they raised in the campaign, and yet the Electoral Commissioner's Report doesn't show any money being raised locally at all. — (Interjection) — Yes, it seems to be.

Now, the best guarantee for fair and honest elections is full disclosure. Full disclosures include - and to be able to have some degree of integrity to this, it is very important that we have the major contributors to the political parties defined, where they come from, as well. We look at the Conservative campaign the last time, and I can't get actual figures for their campaign, but figures that approximated, at least of the total election expenditures, they received about \$752,000 last time around according to the Electoral Commission Report.

On the financial statement for the political parties themselves, we find that of \$753,000 that was raised - this is their fiscal year, so I'm not sure - the two things should jibe fairly closely I would imagine, that if the \$753,000 were the total revenues and they received \$413,000 and 55 percent of that from corporations. The corporations, as should be, are required to disclose their source of funding. They only received some 45 percent from individuals.

Now, from corporations that aren't even in Manitoba, or whose head offices at least are outside of Manitoba, they received about 22 percent of the total revenues or \$163,000; \$163,000 of the \$413,000 came from corporation headquarters at least based outside of Manitoba. If you look at what some of these corporations are, one sees and this is where the whole idea of conflict of interest can come up as well, the Power Corporation giving \$25,000 to a provincial election campaign - an incredible amount of money when they had already given in 1981 to the Conservative Party, I think it was \$50,000 - \$51,000.00. Whoops, I'm sorry, that's to the Liberals, Mr. Speaker, the Tories only got \$30,000.00. They obviously did something wrong. — (Interjection) — Yes, how much for the good guys? But then they got another \$25,000 here so that takes them up almost to the level that the Liberals got federally when you add this and what their federal contributions were as well.

There are some other interesting contributors here as well. The Investors Group, locally to the province here, for the last campaign, \$10,000.00. \$10,000 from a local group of about, I think there are about six different contributions went into that one to make up the total amount from the various groups within Investors Syndicate and the Investor Group Life and whatever else is totalled in there. ManOil, \$2,000, I presume this isn't the new ManOil we're establishing right now, but it's kind of odd that we get a \$2,000 contribution from a company, ManOil, who at the time was fighting against the formation of an oil company in Manitoba and fighting against the registration of that company being called ManOil here in Manitoba.

Developers, land developers, people do not like rent controls, we have Metropolitan Properties almost \$9,000; Shelter Corporation, a company that's got a couple of buildings in my constituency, \$5,800. People fighting against rent controls - we were saying we're going to put rent controls in and you have people with very close vested interests that rent controls not come in to Manitoba, you see them turning around and contributing almost \$6,000 to one political party.

Here is one of the funniest ones I got, or the oddest ones I guess, was an outfit called the Sterling Stall

Group - now I think this bunch gave the money to the wrong party. I don't know if this is the people that gave them the "Don't Stop Us Now" but when you get \$3,000 from a group called the Sterling Stall Group I'm a little bit suspicious.

Other people with potential conflicts of interest, as we had earlier today and yesterday and the past couple of days, some deal of controversy regarding the situation around Inco. But then you also had Abitibi Properties with a large land agreement that was agreed to with them on the eastern side of Lake Winnipeg of \$10,000 coming in; Richardson and Son, another \$10,000. You wonder if there can be some implications. The banks have always been big contributors to the federal parties. They usually split it 30-30, give each \$30,000, but here provincially you had the Royal Bank giving another \$4,000; TD Bank, another \$4,000; The Bank of Montreal, \$2,000 I couldn't get a trace of anything else that came through the provincial accounting system, at least. But what this shows or could show, I beg to say, wager, is that when you have a Minister of Finance standing up and saying that the Federal Government is following the best course possible with the high interest rates, which the banks at this time weren't starting to fight against very heavily although the Bank of Montreal gave credit to Mulholland, I believe his name is, the Chairman of the Bank of Montreal. He started complaining about the high interest rates and recognizing the terrible impact they can have on a country.

So we have a few other contributors here but I would like to just look at the potential for the conflict of interest and with what we had presented in the House earlier today of Inco. Inco in 1981 gave the Federal Conservative Party \$20,000 - they split it again \$20,000 Conservative; \$20,000 Liberal and now you see a letter that's been received from Inco asking for equity contributions. You have them asking to have a right to an equity participation in another plant. Inco wrote and said, I gather: Listen you're doing this for Alcan, we've been here now since 1959 when we really made the commitment to come to Manitoba, we've been here all this time and you're not going to let us participate. As a matter of fact, they probably told them in the conversations that way back in '59 when they were going through their negotiations in '61 when it was finally signed they wanted to have an equity position in, I believe, it was the Kelsey Dam, Kelsey Generating Station. And much to the credit of the government of the day, was that not a Conservative Administration in '61 - yes, Duff Roblin was the Premier in '61, and under, from what I understand in conversations, the pressure and the intuition and the drive of probably one of the best civil servants that has ever serviced this province and he served in many capacities, a gentleman by the name of Stewart Anderson who was at the time the Deputy Minister of Natural Resources said, listen we've just nationalized or just taken over a few years back and made into Crown corporations Manitoba Hydro and yet they've seen in the future that that resource will be developed as a public resource and Inco wanted participation in an equity position and Mr. Anderson at that time, in a little restaurant here in Winnipeg I understand, negotiated a different deal with them. A deal that we were suggesting during the election campaign and after the campaign as well that if we

were going to proceed with Alcan we should be proceeding similar to the way we did with Inco, not trying to go back and change Inco's deal to one that was being drawn up now with Alcan.

MR. S. ASHTON: They got it mixed up.

MR. D. SCOTT: But Inco gave us money to build that dam, loaned us a considerable amount of money, not the whole cost but a good part of the cost at, I believe, 2 percent interest so if 2 percent interest, they said you give us a 20-year loan at 2 percent, we will be able to give you a 20-year deal on hydro which we did.

MR. S. ASHTON: That's fair enough.

MR. D. SCOTT: It was a deal that was clean as a whistle, it was deal, Mr. Speaker, that shows an example of how another corporation who is a large consumer of a resource such as hydro electricity, that they can join in the participation and the guarantee of a long-term low rate by joint financing, by loaning money to the province and to the Manitoba Hydro at a rate lower than the going rate and then we could in turn offer them a better deal for the same term of that loan. That is what one should follow and here now we see this Order-in-Council being prepared on matters of state, it recognizes the low rates they've had since '61 to '81 it doesn't really tell you - well it does - in recognition of Inco's financial contributions to the cost of building Kelsey Generating Station - that's the 2 percent loan and the commitment to the board to supply power to Inco by the year 2001.

We have further, Inco asking for a right, a right, Mr. Speaker, to an equity participation in a future generating station on the Burntwood River and further assurances of power supply from 2001 to 2021 and then you have the previous government's wording of it being considered to be expedient and desirable to recognize the role that Inco had played. For Inco we recognized that role in the joint participation in the building of a dam, with them helping to finance it at 2 percent.

MR. S. ASHTON: That was 25 years ago.

MR. D. SCOTT: We have, and I think the reason it didn't really go through is because it was subject to statutory amendments and I don't think that they could have gone through with that without making statutory amendments. It would have had to come before the Legislature of Manitoba, bring in an act in front of here to amend the Manitoba Hydro Act and I don't think that would have gone over very well at all with the public of the people of Manitoba because they do not want to see private corporations taking back a piece of the action which we removed them from sometime ago when we said that the future power developments of Manitoba should be done as public utilities.

Another part is that the terms and conditions pertaining to an equity interest be determined by the board and set forth in an agreement to be entered into between the board and Inco and I suspect that that is one of the reasons that they appointed a chap by the name of Paul Jarvis to go onto that board because we know full well of his contribution to the Department of

Northern Affairs and the Department of Mines and other places where he was going around tied in with Don Craik, the former Minister who was responsible for these areas and we're putting him on, and he was innocent from what I've heard from hydro employees anything but a popular appointment when he got put onto the Hydro Board because he went onto the Hydro Board trying to force major changes in the policies of Manitoba Hydro and I put forward to you, Mr. Speaker, that one of the main reasons he went forward was to try to be able to work out deals with Alcan and with Inco towards giving up, Mr. Speaker, not participation . . . I had a campaign, yes, Mr. Speaker, for the information of members I would like to table this document. I think there's no problem with tabling the document so that they, too, may have the benefit to see, especially those who weren't in Executive Council, and the new members to see what sort of things their previous government was getting worked up into.

A MEMBER: Remember, don't stop us now.

MR. D. SCOTT: Yes, don't stop us now. Mr. Speaker, I told this story once before in the House of a constituent of mine, a person who actually worked with Hydro. I don't know if he got wind of this sort of thing or not, but when I went to his door, introduced myself and asked for his support, the guy burst out into a song of "don't stop us now." And he said don't stop us now, and he's singing away and dancing around in his living room, and he says there's still that much of Manitoba left to give away. Don't stop us now.

I think Mr. Speaker, that he probably knew far more about this than I did at that time. At that time, I only knew about the involvement with Alcan of going into joint equity participation and having them own a portion of a plant, especially when they can get 50 percent of a plant's capacity for 25 percent of the plant's investment cost. That, Mr. Speaker, is anything but a fair deal for the public of Manitoba when they are going to be entering into an agreement, which the Alcan agreement would have provided, which you can only count on, I think was two-thirds of the power over a long term of a generating plant, because of fluctuation of water levels; because of downtime for generating turbines and repairs and that sort of thing; that you can only count on two-thirds of the total production and yet they were going to get a half of the reliable two-thirds for one-quarter of the cost of the total plant - very very shady, Mr. Speaker.

So, Mr. Speaker, all this ties very directly into the role in political parties, the role of financing of elections, which is the basis of our political system, the electoral process itself. We had recognition of other parties, other than the NDP and the Conservative Party - the only two parties represented in the House now - that where enough of the public support a particular campaign, and I fought very strongly that the election financing would be given to political parties who receive 10 percent of the vote, and that is precisely the reason why I stand here today defending, once again, that 10 percent limit of not something much much higher than that, 30 percent, or 20 percent, or whatever of the vote, because I don't want to see public financing restricted only to the big parties. It should also be available to

smaller parties and we're not the only two parties in this House for the future of Manitoba. There are several other parties that have been here in the past, and as those parties grow, and it takes time for a party to grow, they should enjoy the same rights and privileges that we do for any kind of public contributions towards election campaigns.

It is not anything of a lunatic fringe that the Leader of the Opposition goes off on constantly of left-wing kooks, who aren't responding to him, or of his various right-wing kooks that he supports in other nations. It is a recognition that if the people of Manitoba, if enough of those people, 10 percent of the electorate of Manitoba, feel that a particular party would represent them better than another party, a party that's already in office, then that they as well should be recipients that have the same rights as the large parties do towards having some form of financial assistance in paying for their campaigns. Because when you don't get that in the campaigns, although we're trying to keep the expenditures of campaigns down - and I think it's the primary purpose of this - that also keeps down the total amount of potential and money going towards financing of elections through a 50 percent rebate process where the amounts of monies are less.

In closing, I think I'm pretty well out of time, I've just got a couple of minutes left. I'd just like to concentrate on the teeth that are in this bill; teeth that we're lacking in their former legislation. As my dad says, as a person who doesn't have very many of his own teeth left and has to wear false teeth, it's comparable to try and - as he calls it - gum it through a piece of meat. You don't really get very much done. It takes an awful long time and more often than not you have more stomach problems afterwards than the meat was worth.

So the importance of trying to put a limit on election expenditures and trying to put teeth into those limits cannot, Mr. Speaker, be overemphasized. It is a right of political parties to receive funding publicly, to try and keep down the amount of money that individuals have to come up with towards the financing of an election. Where those parties receive a significant portion of support within either their own constituencies or across the province, that they as well should be able to receive some remuneration for their efforts by the public of the province. But the whole basis, Mr. Speaker, of our electoral system is, as I said before, contingent on the basic electoral process. The government is dependent on elections in this country and shall always be dependent on elections in this country.

So, Mr. Speaker, in conclusion, but I say that I think this is a very commendable act. It is an act that follows the example to some degree of other provinces. It's tighter than other province's legislation is and I suspect it in future years will be followed, as an example, where other provinces tighten their existing legislation and introduce similar legislation. Thank you very much, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Thank you, Mr. Speaker. I'd like to speak, if I may.

MR. SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: I'd like to speak in favour of this proposed bill on the financing of elections, and in so doing explore what I consider three basic issues. First is the issue of public disclosure of political contributions for political campaigns. The issue of the advantage of public financing of elections over the mere system of voluntary tax credit; and finally, the impact of political contribution from private citizens and groups on legislative behaviour of politicians and on the legislative process and output itself.

On the first issue of publicity of political contribution and its disclosure to the public at large, it appears that such a public disclosure would induce the development of honesty in those who handle money related to public financing of elections and does instill in them a responsibility for the use of those funds.

Many individuals, because they have some control over money, are often tempted to misuse such funds for purposes not intended. In this regard, it seems that the media itself has a responsibility that they should as much as possible publicize the political contributors to public campaigns of elections, so as to enlighten the general public as to the source of financing of people who run for public office and the source of financing of political parties. It will thus instill in the voter an enlightened approach as to who they would support during a general election if they know what are the sources, and who are the contributors and donors to which and what political party. Without such public disclosure, we will only be breathing secrecy, and as we know secrecy leads both to the corruption of the voters themselves, as well as to the corruption of political carpetbaggers, and politicians themselves. — (Interjection) —

The love of money is the root of all evil. People are sometimes tempted to do things that they should not be doing because of the glitter of the 30 pieces of silver. Many a man has been plunged to ruin and destruction because of this materialistic longing for money and for wealth.

On the second issue, I'd like to argue that public financing of election is a far superior system than the mere system of voluntary tax contributions tax credit. Let us analyze this a little bit closer. The present system of voluntary tax credit which is the system with respect to the federal election, in a sense tends to limit the tax advantages to those higher income groups in society who can afford to pay large political contributions simply to offset their income tax liabilities. Therefore, it tends to limit political support of political parties and therefore limit the circle of influential people to those who have this spare money to contribute, not only to improve themselves from the tax point of view, but also to have access to the output of the decisional process in government.

On the other hand, the low income people, since they cannot and will not probably have much tax liability, they are all the time constantly harassed by many fund raising campaigns, lotteries, and the like, and they are often turned off. They become cynical and skeptical about political contribution. They become suspicious that it is merely a system of exploiting people who are ignorant and taking their money, and therefore they become turned off in political participation, especially those who are out of a job and are oftentimes harassed for political contributions. — (Interjection) — The rich

therefore are those who are able to get this tax credit and if any group had access to the public trough, it will be those who are able to make large political contributions, including corporate donors.

On the other hand, a public financing of election means that the burden of conducting election will be spread across all the population, all the citizens. No matter how small their political contributions per capita in that general election, it will be evenly spread out, and the election process itself being a public function, it is only logical and just that it be publicly funded.

Going to the third issue about the impact of political contribution of vested interests of organized groups to support particular candidates or particular parties, no one can say that they are contributing large amounts of money simply for the fun of it. No one will claim that the banks and the industrial corporations and the business corporations are contributing simply because they are public spirited and are enjoying it. — (Interjection) — They are doing so because they want to protect their private interests. That is known as quid pro quo, something for something. Who will give \$30,000 just for the fun of it? Most of these vested groups had a hidden agenda to protect. The banks, for example, why are they perpetually contributing the largest amount of money at the federal level, because the Federal Government had control of legislation affecting the activities and functions of the banks. They contributed equally to both the Liberal and the Conservative Party because the heads, whoever wins the election, their interests will be protected. So it is something for something, quid pro quo. I have another new interpretation of that Latin phrase, quid is sometimes used by the British, there is a British slang for money and it's called quid, so if we translate literally, quid means money, pro means in favour of, for, as against the con, or against. So quid, money, pro, for, and what is quo? Quo is a Latin phrase to say what, it just asks the question. So quid pro quo means money for what. That is the biggest question in the political arena.

Why should the organizations of banks and industrialists and professionals and other vested organized groups in society, why should they give money, for what? Of course, they have their own interests to protect and their interests can only be protected by having the right access to the right legislator in effecting the outcome of the legislative process as well as the bureaucratic process.

It is therefore important that we should be aware of all these consequences. It is for the good of legislators themselves that we should resort to public financing, instead of being dependent on huge private contribution of organized vested groups, because it will mean that we as legislators will be the captive of this organized monied interest, and we can no longer exercise our discretion and our freedom to vote for the public interest. Nothing is more pathetic than when legislators and bureaucrats are becoming the robots who are responsive to those who run them because they hold the purse string that runs the outcome of their own election. It will be most pathetic if those who are serving the public interests are merely the automaton that responds to the demands of the hidden agenda of big political contributors in order to protect private interests as against the public interests.

Therefore, for the good of our legislative institutions and for the good of our bureaucracy, it is important

that we overcome this organized system of being the captive of those who have the power because they have the resources and because they have the economic resources and therefore the access to influential positions in both the Legislature and in the bureaucracy. It is therefore for the good of our own political system that we resort to the public financing of elections.

Thank you, Mr. Speaker.

MR. SPEAKER: If no one else wishes to speak to this bill, it will stand in the name of the Honourable Member for Virden.

BILL NO. 90 - THE CATTLE PRODUCERS ASSOCIATION ACT

MR. SPEAKER: On the proposed motion of the Honourable Minister of Agriculture, Bill No. 90, standing in the name of the Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Speaker, I had planned earlier today that in speaking to this bill that I may have had an opportunity to deliver my speech in entirety and wonder if, after having started my speech, seeing that we have very few minutes left, if we could call it 12:30, Mr. Speaker.

MR. SPEAKER: Is it the leave of the House to call it 12:30? (Agreed)

The Honourable Minister of Natural Resources.

HON. A. MACKLING: Yes, Mr. Speaker.

MR. SPEAKER: In that case, when we next reach this bill, the honourable member will have 40 minutes remaining.

Since it's the hour of adjournment, the House is adjourned and will stand adjourned until 2:00 p.m. on Monday.