



Fourth Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 6, 1998

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mining Reserve Fund

Mr. Gerard Jennissen (Flin Flon): Madam Speaker, I beg to present the petition of A. Sherwood, B. Huff, B. Phillips and others praying that the Legislative Assembly of Manitoba may be pleased to request the Minister of Energy and Mines (Mr. Newman) to consider immediately restoring the \$6 million taken from the Mining Reserve Fund.

READING AND RECEIVING PETITIONS

Mining Reserve Fund

Madam Speaker: I have reviewed the petition of the honourable member for Flin Flon (Mr. Jennissen). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

WHEREAS mining is a billion dollar industry in Manitoba directly employing more than 4,300 people pumping more than \$240 million in wages alone into the Manitoba economy; and

WHEREAS part of the mining taxes on operating mines goes into the Mining Reserve Fund; and

WHEREAS the Mining Reserve Fund was set up for the welfare and employment of persons residing in a mining community which may be adversely affected by the total or partial suspension or the closing down of mining operations attributable to the depletion of ore deposits; and

WHEREAS the provincial government has withdrawn \$6 million from the Mining Reserve Fund and put this money into general revenue; and

WHEREAS many mining communities having contributed millions of dollars to the provincial economy for many years are now nearing the end of their known ore resources.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Energy and Mines to consider immediately restoring the \$6 million taken from the Mining Reserve Fund.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee of Supply

Mr. Marcel Laurendeau (Chairperson): Madam Speaker, the Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again.

I move, seconded by the honourable member for Sturgeon Creek (Mr. McAlpine), that the report of the committee be received.

Motion agreed to.

INTRODUCTION OF BILLS

Bill 38—The Planning Amendment and Consequential Amendments Act

Hon. Leonard Derkach (Minister of Rural Development): I move, seconded by the Minister of Labour (Mr. Gilleshammer), that leave be given to introduce Bill 38, The Planning Amendment and Consequential Amendments Act (Loi modifiant la Loi sur l'aménagement du territoire et modifications corrélatives), and that the same be now received and read for the first time.

His Honour the Lieutenant Governor, having been advised of the contents of the bill, recommends it to the House, and I would like to table the Lieutenant Governor's message.

Motion agreed to.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members, firstly to the Speaker's Gallery where we have with us today His Excellency Gordon Giffen, United States Ambassador to Canada. His Excellency is accompanied by Ms. Lisa Bobbie Schreiber Hughes, Consul General of the United States of America.

On behalf of all honourable members, I welcome you this afternoon.

Also, seated in the public gallery this afternoon we have forty-three Grade 11 students from Warren Collegiate under the direction of Mr. Jake Wiebe and Mr. John Smith. This school is located in the constituency of the honourable Minister of Agriculture (Mr. Enns).

We also have thirty-six Grade 5 students from Linden Meadows School under the direction of Ms. Kathy McLennan. This school is located in the constituency of the honourable First Minister (Mr. Filmon).

On behalf of all honourable members, I welcome you this afternoon.

* (1335)

ORAL QUESTION PERIOD

Devils Lake Diversion Proposal Status Report

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, I would like to also add our welcome to the U.S. Ambassador, Mr. Giffen, and the Consul General here today.

In past years we have had some very challenging issues on international water flows and projects that

would affect Manitoba. We have had the Garrison Diversion proposal that we dealt with in this province. We worked in an all-party, all-citizen way to lobby the U.S. Congress and representatives of the U.S. Senate to allow us to let them understand the impact of biota transferred to our waters and its impact on fishing here in Manitoba and the quality of water in this province.

We have found that this method, along with the direct message from the Premier to the U.S. government and the activity with the IJC has been very, very effective. I would like to ask the Premier: what is the present status of the Devils Lake diversion, and what is the present agreement that the government has with the U.S. government on this proposal?

Hon. Gary Filmon (Premier): Madam Speaker, I would like to thank my honourable friend for the question. My understanding of the current situation with Devils Lake outlet is that there are various proposals being developed in the United States, in the state of North Dakota, by people concerned about the massive rising of the water levels in Devils Lake and the flooding that that causes there. We have had an ongoing monitoring of that; in fact, at many of the public meetings that are being held in North Dakota we have had members of the Intergovernmental Affairs staff, principally Bob Oleson, who I think is known to members opposite, attend those meetings and provide us with briefings, ongoing updates as to the status of proposals.

We have said consistently that we will oppose any attempt to have an interbasin transfer of water from the Missouri watershed to the Hudson Bay watershed because of the potential damage to our freshwater fishery the biota transfer could cause. I have communicated that directly to Governor Schafer, and we have also employed the services of our Foreign Affairs department, Minister Axworthy, Ambassador Chretien and others to get that message as strongly across as we could not only in North Dakota but in Washington, D.C. Our position remains consistent that we would oppose any proposal that had that interbasin transfer. At this point, all we know is that North Dakota continues to seek solutions to their problem in Devils Lake, and our bottom line remains as I have stated it.

Citizen Involvement

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, the Premier will recall that when they were in opposition and we were in government, the present Minister of Agriculture (Mr. Enns) was part of an all-party delegation, but more importantly than just the political activity that took place, we had a number of the fishermen attend to Washington, local mayors, people along the Red River and Lake Winnipeg communities that would be directly affected and in northern Manitoba that would also be affected. We had people going directly to the U.S. Congress because the U.S. Congress apparently has already passed a \$10-million fund for this project to begin. We had people going directly to the legislators of the United States and talking about what it would mean for their future livelihood and what it would mean for the future quality of water here in Manitoba in terms of a transfer from the Missouri River system watershed to the Hudson Bay system.

Will the Premier, along with the activity he is taking—I know he has threatened court action if he is not successful with the authorities—also look at having citizens involved directly with the U.S. legislators?

There is, and I would say not to get political, a Republican Congress, a Republican Senate right now. Would we look at having citizens speaking directly to those legislators if other courses of action will not work? I think that that sometimes is more effective than court action, and it certainly was in terms of stopping the Garrison Diversion project here in Manitoba.

* (1340)

Hon. Gary Filmon (Premier): Yes, Madam Speaker, there is no question that we would welcome and include the members of the opposition and the public in any effort that would be required for this kind of initiative.

The Garrison project, of course, had, I believe, several hundred million dollars of funding allocated by Congress and was in very, very advanced stages. This funding from Washington is principally, I think, directed at seeking the engineering solutions and the

costs of that. I do not think that there is any construction money allocated. So we are at a bit of a different stage, but should we get to a stage that requires us to turn up the volume and the intensity of our efforts, there is no question I would welcome an all-party approach to it.

We know that in the past there have been no politics in our joint opposition. All three parties in this Legislature went on record in the '70s as opposed to Garrison, as the member recalls and mentioned the Minister of Agriculture (Mr. Enns) was part of that from our side. Obviously, we would be more than happy to go on an all-party basis in the future if we felt that we were at that stage and required that kind of effort, including members of the public. So I thank him for that suggestion.

Child and Family Services Noncompliant Category Children

Mr. Gary Doer (Leader of the Opposition): A new question to the Premier. In 1994, his government changed the policy for 16- and 17-year-old children in care of the provincial government and established what was called the noncompliant policy that exists today. These are children that are under the legal guardianship of the provincial government.

In 1997, the Mason Report talked about the massive increases in caseloads for Child and Family Services workers across the province and the reduced resources. We are quite worried about the situation under the noncompliant category, because on the one hand you have the Province of Manitoba that is the legal guardian or parent of these children and on the other hand they sign or agree to a policy of noncompliance in terms of any supervision and programs for these children.

I would like to ask the Premier: how many children are in the noncompliant category, and has the government reviewed the many reports it has received to look at a new policy dealing with these children?

Hon. Gary Filmon (Premier): Madam Speaker, I would just—in taking that question as notice on behalf of the Minister of Family Services (Mrs. Mitchelson) because I do not have that detail at my fingertips—indicate that certainly, in terms of funding for Child and Family Services, our funding has continuously

increased since we have been in government, both in total dollars and as a proportion of our budget, but I would be happy to have the minister come back with a full response to that question.

Mr. Doer: We are very concerned about a situation, according to many workers, that takes place with noncompliant children in the care of the provincial government where cheques are sent out, but there is no outreach, no supervision, no treatment programs, and cheques are sent to these children of 16 and 17 years of age.

Madam Speaker, I would like to know from the Province of Manitoba: will you be looking at changing the policies to provide mandatory follow-up, mandatory supervision, mandatory contact for this so-called category of noncompliant children for their future benefit and also for the benefit of our communities?

Mr. Filmon: I thank my honourable friend for the question. I, again, will take it as notice on behalf of the Minister of Family Services (Mrs. Mitchelson).

* (1345)

Mr. Doer: The government has received reports from the Child Advocate, has received reports from the Youth Secretariat in 1996, and one of the startling areas that the Youth Secretariat report of '96 identified is the numbers of youth at 16 and 17 years of age in prostitution. Six hundred, the Youth Secretariat projects in the city of Winnipeg alone, are 16 and 17 years of age, many of whom were the Child and Family Services' responsibility. I think we all in this Chamber must be concerned about that.

I would like to ask the Premier: how many of the noncompliant category children that this government has created, how many of those children are now regrettably in child and youth prostitution in Manitoba?

Mr. Filmon: Madam Speaker, I will take that question, as well, as notice on behalf of the Minister of Family Services (Mrs. Mitchelson).

Child and Family Services Noncompliant Category Children

Mr. Doug Martindale (Burrows): Madam Speaker, in 1994 the Children's Advocate in his second annual

report said that many 16- and 17-year-olds are on their own. He said that these older adolescents contacted him during the past year and listed their primary concern as refusal by workers to provide them with any service or assistance. It is now four years later, and we followed up with workers and the Children's Advocate, and we find that little has changed. In fact, we are told that this noncompliant policy opened a Pandora's box to ignore these kids.

I would like to ask the Premier or the Acting Minister of Family Services (Mr. Gilleshammer): what is this government doing four years after the Children's Advocate raised this concern to address it in a meaningful way? What is being done four years after it was raised with this government?

Hon. Gary Filmon (Premier): Madam Speaker, I will take that question as notice on behalf of the Minister of Family Services, who can bring a thorough and complete response to the member.

Mr. Martindale: I would also like to ask what alternatives are being sought, if any, for children, for young people, for 16- and 17-year-olds who have been living in independent living arrangements but who want other arrangements, and in at least one case they were refused by Child and Family Services some other appropriate arrangement. What is being done to help these 16- and 17-year-olds to have a secure and safe environment?

Mr. Filmon: Madam Speaker, I will take that question, as well, as notice on behalf of the Minister of Family Services.

Mr. Martindale: I would like to ask the Acting Minister of Family Services (Mr. Gilleshammer): what is being done to investigate allegations that not only are some of these 16- and 17-year-olds involved in prostitution but involved in gangs as well while they are in independent living arrangements? Is the government concerned about this, and what are they going to do about it to see that there is proper supervision of these young people while they are in independent living arrangements or to find other suitable arrangements for them?

Mr. Filmon: Madam Speaker, I will take that question as notice on behalf of the Minister of Family Services.

I point out to the member that the Estimates of the Department of Family Services are up now, and they will be available tomorrow morning at 10 a.m. for him to enter into that kind of direct discussion with the minister.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable First Minister, to complete his response.

Mr. Filmon: Madam Speaker, I assume that members opposite are asking questions because they want to have this information, not because they want to make a bit of a spectacle in Question Period. If they do, then the Estimates process provides for extensive dialogue, question and answer and review of the policy with the minister. That is what I am recommending to the members opposite so that they can have a thorough examination of this policy and an ability to get all of the information that they desire on this topic.

* (1350)

Systemhouse Desktop Management System Bidding Process

Mr. Jim Maloway (Elmwood): My question is to the Minister of Government Services. Madam Speaker, this minister refuses to release a copy of the government's top-secret computer agreement with SHL. This minister refuses to release the point system used to select the successful hardware bidder. I would like to ask this minister whether he could confirm that the hardware bidder with the lowest price per computer was not accepted.

Hon. Frank Pitura (Minister of Government Services): Madam Speaker, I thank the honourable member for that question. It gives me the opportunity I think to share some information on the desktop management area.

For information purposes, in October of 1997, Manitoba entered into a 66-month contract with Systemhouse to provide desktop management services to Manitoba. It is expected that the whole transition to the managed environment will be occurring around March 31, 1999. The desktop management includes all

management, acquisition and support activities related to microcomputers, common personal productivity software, local area networks and all the network enabling software and hubware. This includes the management of file print servers, network servers and hubs. The desktop management unit working with the vendor is responsible for developing architecture standards, specifically in relation to hardware and software. IBM computers and Hewlett-Packard printers have been confirmed as—

Madam Speaker: Order, please.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, on a point of order, Beauchesne's Citation 417 states very clearly that answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate. The question was about the lowest bidder. If the minister wishes to read the detailed notes into the record, probably the best thing to do would be to table it. We would certainly appreciate whatever information the minister can provide, but the question was on what happened to the lowest bidder.

Madam Speaker: On the point of order raised by the honourable member for Thompson, I would remind the honourable First Minister that indeed Beauchesne Citation—Government Services, sorry, the honourable Minister of Government Services—that answers should be as brief as possible and respond to the question asked.

* * *

Mr. Maloway: The minister is clearly refusing to answer the question. The question was: did the successful bidder have the lowest price for the actual hardware provided?

Mr. Pitura: In response to the question that the member has asked, the RFP was issued in October on the government open bidding system. There were approximately 11 respondents to that open bidding system. The RFP process that the province uses is clearly in place, and that process is followed with regard to all proposals that the province puts out. The

selection criteria I shared with the member the other day in terms of the point system and the evaluation criteria. That criteria was used to evaluate that process, and as a result IBM was selected as the supplier of the hardware.

Mr. Maloway: Madam Speaker, my final supplementary to the same minister is this. The minister is refusing to answer the question. Yes or no, did the successful bidder have the lowest price for the actual hardware provided?

Mr. Pitura: Madam Speaker, to be as brief as possible to the member's question, there is evaluation criteria that was put in place with respect to the contract. I indicated this to the member the other day. Product quality, general qualifications, technical specs, current costs and ongoing costs were the areas of evaluation under that contract.

Court System Independent Review

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my question is for the Minister of Justice, again wanting to recognize the importance of judicial independence, something which I personally believe very strongly in, but there still is a need for some sense of accountability. I have asked the minister previously, and I guess I would ask him again today, what the minister is prepared to do other than wait for the task force report from Alberta to come down. Is this government prepared to do anything in terms of rectifying the situation within our judicial system in the sense of some sort of an independent review?

* (1355)

Hon. Vic Toews (Minister of Justice and Attorney General): As the member well knows, it is not a matter of statutory jurisdiction that determines the independence of the judiciary. It is a matter of constitutional jurisdiction that was recently reinforced by judgment of the Supreme Court of Canada, in fact involving our own provincial judges here. So, Madam Speaker, I believe I, like all members, want to see every aspect of the public service, including judges who are independent of the executive, respond appropriately in their own context to concerns that arise from time to

time. I know that in many respects the judiciary has been responding in the area of mediation, in the area of civil work, and there is the other area of criminal work where we have to I think take a strong look at that issue. I know my colleague in Alberta, the Honourable John Havelock, is looking at that particular situation. I have been invited to participate there, and I believe other Justice ministers will be there either before or after that conference to look at that issue.

Mr. Lamoureux: Will the minister acknowledge there are very serious concerns expressed from your Crowns, your lawyers, your police, and most importantly, the public of Manitoba, dealing with our courts and the way in which our courts are operating today? The question specific to the minister is: will the minister acknowledge the need for an independent review today? Let us not wait to see what is happening in Alberta; let us do what is right here in the province of Manitoba.

Mr. Toews: I know what the public of Manitoba are saying. They say it every day to me. They are concerned about that aspect of the justice system. I know that there is very strong support for our police, for our Crown attorneys, but there seem to be some concerns about the other aspect of our justice system. So, before I make any direct undertakings as to what this government or my department is prepared to do to improve that, I want to spend some time to reflect on that issue and determine if there is anything that we can do here in Manitoba. I might indicate to the member that the solution will have to be a Canada-wide solution because of the constitutional nature of the issue, so it is nothing that this province could do by itself, given the amending formula under our Constitution passed in 1982.

Mr. Lamoureux: Madam Speaker, I am sure the Minister of Justice then, given what he has said, would recognize that Manitoba, at the very least, can advocate through an independent committee what we believe is more of a just system to ensure that the concerns expressed from the public, our lawyers, our police and Crowns are in fact at least being listened to.

Mr. Toews: I want to assure the member that indeed the police, the Crowns and the concerns of the public are being listened to, and we respond to those concerns

on a daily basis. The member's point is a good one. Again, I am not prepared to make any undertakings at this time, but I am not saying that his suggestion is without merit. The member raises a good point.

Manitoba Telecom Services Rate Increase

Mr. Steve Ashton (Thompson): Madam Speaker, if the current, most recent rate application from MTS is approved, Manitobans are looking at upwards of \$6 a month additional on their phone bills. That will double the cost for local service since the government started the process of privatization. Manitobans, in addition to paying for the stock option program—the 12.75 percent rate of return that MTS wants—will also be stuck paying the bill for the taxes that the privatized MTS will have to pay.

I would like to ask a very simple question to the minister, since he did not respond to this when I asked this question last week. As the minister responsible for MTS, what will his position be? Will he speak out against the increase that will be once again asking Manitobans to pay for these additional benefits for the privatized company?

* (1400)

Hon. Eric Stefanson (Minister of Finance): Again, Madam Speaker, I believe the member for Thompson is wrong with some of the information he puts on the record and certainly wrong with the impression he leaves in terms of rate adjustment potential in the province of Manitoba. As I said to him the other day in Question Period, there is a process in place through the CRTC which is available to any individual to make representation relative to a rate request being made by telephone companies across Canada other than the province of Saskatchewan. That opportunity is there for all Manitobans; to date that process has worked very well. We just saw an example where MTS made a request for a rate increase of some \$3; CRTC ultimately approved a rate adjustment of 84 cents. As a result, today we have the lowest residential rates of any major telephone companies in all of Canada right here in the province of Manitoba. So that process is in place to protect consumers, to make telephone

companies justify any of their expenditure adjustments, and I have confidence in that process.

Mr. Ashton: Madam Speaker, will the minister recognize that the only reason that the previous rate application was rejected was because Manitobans spoke out, whether it was the Manitoba Society of Seniors or more than 50 municipal councils and the New Democratic Party? Why will the government not speak out on behalf of Manitobans to say no to this \$6 increase?

Mr. Stefanson: Madam Speaker, one reason it did work was because individuals, individual organizations had the opportunity to make representation, and they did just that. Also, CRTC do their analysis of the telephone companies of the impacts of rate adjustment requests and so on. Again, the member is making my point, that the process works. It is there designed to protect consumers, and the process works very well. We just saw a recent example of that with the last rate adjustment requested by Manitoba Telephone System.

Mr. Ashton: Madam Speaker, I would like to ask the minister in a final supplementary: since he is supposedly the minister responsible for MTS and had no problem appointing people to the board, in fact directly appointed four members, at one time appointed all 11 of the current members, will the minister take direct action, because these four, his appointees, are clearly in a position of conflict of interest because of the stock option program? Any time there is a rate increase, the value of the stock goes up and they benefit financially. Why will not this government and this minister speak out against the rate application?

Mr. Stefanson: Again, the member for Thompson as usual on this topic is wrong. The members of the board have no conflict of interest. He makes the quantum leap that because there are any rate adjustments they necessarily lead to an automatic increase in profit. That is not necessarily the case. Sometimes they are to recover costs that are being incurred as a result of the additional technology and a whole range of issues in terms of delivering services to Manitobans. The facts are there is a process in place for consumers, for the public to make representation. That process works very well. We have a recent example of where it worked very well right here in Manitoba, and as a result of that

process and the efficiencies of Manitoba Telephone System, we today in Manitoba have the lowest residential rates of any of the major telephone companies in all of Canada right here in Manitoba.

Brandon General Hospital Maternity Ward Closure

Mr. Leonard Evans (Brandon East): Madam Speaker, I have a question to the Acting Minister of Health or the Premier (Mr. Filmon) regarding the very serious situation that is developing in Brandon. Doctors have now issued a press statement stating that doctors in Brandon will stop delivering babies at the Brandon General Hospital beginning Friday because they deem the Brandon General Hospital is unsafe due to a lack of adequate pediatric support. Expectant mothers and their families are very upset; they are very concerned with the serious situation.

I ask the government therefore: why has it allowed this situation to develop to a crisis stage when the problem has been known for well over a year, and has the government a plan to handle this crisis beginning this Friday?

Hon. Leonard Derkach (Acting Minister of Health): Madam Speaker, I would like to assure the member for Brandon East that the Minister of Health (Mr. Praznik) is aware of the situation and has been working very aggressively to try and arrest the situation. I will take the details of his question under advisement and have the Minister of Health respond to him.

Mr. L. Evans: Madam Speaker, I wonder if this government realizes and understands the situation that not only are we increasing the risks related to expectant mothers having to travel over two hours either to Winnipeg, Yorkton or to Regina but also the considerable expenses involved, in some cases ambulance and accommodation for the family members. But here is the crisis. I have confirmed it now with the doctors in Brandon. As of Friday, there will be no babies delivered at the Brandon General Hospital, and I ask the government: does it have a short-term solution, an interim solution, as has been asked by an expectant grandfather in Brandon? Will the government hammer out a short-term solution in the interim while they wrangle over the long-term answers?

Mr. Derkach: As I indicated, the minister is aware of this situation, but I will take this question as notice for the Minister of Health (Mr. Praznik).

Mr. L. Evans: Madam Speaker, I do not know whether the people of Brandon will be very happy with the rather lackadaisical attitude of this government and this minister.

Funding Cutbacks

Mr. Leonard Evans (Brandon East): Will this government acknowledge that the Brandon General Hospital has suffered in the past several years because of millions of dollars of cutbacks, laying off of nurses, the loss of various specialists, inadequate medical equipment, an aging building that the former minister was going to build many years ago, and that the Brandon General Hospital's role as a true first-class regional hospital is now being jeopardized?

Hon. Leonard Derkach (Acting Minister of Health): Madam Speaker, I cannot accept any of the comments that the member for Brandon East has put on the record, but let me say that the Minister of Health (Mr. Praznik) has been working, along with the Brandon Health Authority, to ensure that those kinds of issues are addressed. But, as I indicated to the member in my previous response, I will take this question as notice for the Minister of Health, and he will get back to him.

Grade 12 Mathematics Exam Negative Impacts

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I have had discussions with parents and students from the Ethelbert Collegiate who have the same concerns as many families when it comes to the provincial math exam. Students who did not write the exam will retain their full mark in that course, but those students who did write the exam will have the mark from their exam included in their averages. In many cases their averages are going to be lowered.

I want to ask the minister if she recognizes the negative impact this is having on many students who are trying to get funding for their education in the upcoming year, but this lowered mark is now going to

affect them. Does she recognize this as a problem, and how is she going to correct it?

Hon. Linda McIntosh (Minister of Education and Training): If the member will just forgive me, I missed the first part of her question. Was she talking about Grade 12? [interjection] Grade 12 mathematics exams. Thank you, Madam Speaker.

I can say to the member that certainly it is a vast improvement over what was experienced five years ago, 10 years ago, 15 years ago when there was no consistency whatsoever across the province. These students now, the superintendents and the field—we have discussed with students who do not write exams or who missed the provincial exam that the divisional mark can apply if the divisions so wish. That is the same policy that is used in other provinces. That is the policy that the field agreed to as a suitable substitute for missing the provincial exam, that the divisional mark could apply.

Right now, of course, we are only talking about 30 percent in any event. At least there is some consistency now versus none at all before.

Ms. Wowchuk: The minister says “in any event.” In any event, this is going to put students' funding in jeopardy.

Service Fee for Return

Ms. Rosann Wowchuk (Swan River): I want to ask the minister, Madam Speaker, on behalf of these students, why they have to pay \$15 to get a copy of their exam when the copy of the document that they get back has no meaning. There are no marks on it; there are no comments. What is the purpose of sending this document back and collecting \$15 for it? Is it a souvenir for the students of the test that you put out?

* (1410)

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I am very pleased to have the opportunity to clarify for the member the detail that students do receive. Every school receives a student profile on every student who writes the exam. It goes through question by question. It says student A in

answering question 1 showed a good understanding of spatial relations or whatever the question was about. On question 2, student A showed that they did not understand whatever it was; question by question by question, an analysis not only of what the mark was on the question but what the problem was that needs to be corrected or learned. That student profile is sent to every school for every teacher to share with every parent and every student.

The reason there is no marking on the paper is because the paper is double-marked. It is a blind marking system. The marks are scored on a different and separate sheet so that the first marker cannot compare with the second marker. It is known to be one of the best methods of marking. People across the nation in North America are asking for that particular model to follow in their own jurisdictions.

Negative Impacts

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I would like to ask the minister—even though she gave this long answer—whether she recognizes what a serious problem has been created, and that parents are now saying that they are not going to let their children write the provincial math exam next year if it is going to put them at risk of not being able to get the funding that they need to go on to university where the fees have increased as a result of this government's actions.

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I think the member has to understand the situation in Manitoba prior to the very welcome emergence on the scene of standards, these tests and exams, which are not yet fully in place but which are in the process of being implemented across the province.

Prior to this time, an 85 percent mark in Swan River may or may not have meant the same as an 85 percent mark in the city of Winnipeg, which in turn may or may not have meant the same as an 85 percent mark in Brandon. There was no consistency; there was no set standard. Universities, employers, anybody those students turned to after school, had no idea if they were comparing similar results. At the university, the marks have long been ignored at the university because they meant nothing. All they indicated was that in terms of—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable Minister of Education, to very quickly complete her response.

Mrs. McIntosh: Thank you very much, Madam Speaker. They meant nothing in terms of being able to compare on an apples-to-apples comparison whether a student in division A had learned the same as a student in division B. That is well known, and the changes we are making are most welcomed by the people of Manitoba.

Manitoba Telecom Services Rate Increase

Mr. Tim Sale (Crescentwood): Madam Speaker, it is a matter of public record that the Manitoba Telephone System applied in the last month for rate increases which escalate to \$38 million over the next period of time and that that equates to over \$6 a month for every residential telephone. This is not a matter of conjecture; it is a matter of record. The minister responsible seems not to understand the CRTC process.

Will he acknowledge today that the rate shock, spoken of by Mr. Nugent, is exactly what MTS says in their current application they are attempting to avoid by having a gradual increase to pay their income taxes? Will he acknowledge that Mr. Nugent was correct, that MTS is correct, that Manitoba ratepayers face rate shock in very significant terms?

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, no, I will not, but I will acknowledge, as was indicated in this House, the fact that there was a tax advantage to some write-off of some pension allocations by MTS, some \$360 million, that that benefit at this particular point in time is flowing to the consumers through lower rates.

Everybody has acknowledged that ultimately Manitoba Telephone System will become taxable, which is the case with all of the companies that they compete with here in the province of Manitoba. That will happen from the day of privatization, about three to four years out. That is the issue that MTS is starting to address. They are talking about potentially an eight-

year phase-in to deal with that issue, but again, as I said in response to the member for Thompson (Mr. Ashton), there is a process in place, which is the same process followed by all telephone companies across Canada, other than in the province of Saskatchewan, to make representation to the CRTC to request any adjustments. That allows for consumer and public input into that process. We certainly have confidence in that process.

Mr. Sale: Madam Speaker, will this minister acknowledge that last year, during the debate about the sale of MTS, he and the First Minister indicated the sale would produce a revenue-neutral situation? The company would not have to raise rates as a matter of having become privatized.

Now, today, he is saying that obviously everybody knows that would have to happen. Did he then mislead the House all the way through the debate, or is he misleading the House today?

Mr. Stefanson: Madam Speaker, there has been absolutely no misleading of the House. The fact is that, in the short term, MTS is benefiting from the tax deduction of the pension allocation. They will become taxable. Paying taxes, as members opposite do not seem to understand, is one element of doing business. There are various elements. All of their expenditures, all of their items have to be reviewed. Any adjustments to rates have to be approved by CRTC, so there is a process to go through where they have to justify any of their expenditures and the rate adjustment request.

We have said all along that the process is the same whether it is under public ownership or private ownership. Evidence is that that process works very well. The last request for rate adjustment by MTS, again, they made a request for some \$3 rate adjustment. They received 84 cents. Again, the process works. As a result, we have the lowest residential rates in all of Canada right here in Manitoba.

Mr. Sale: Madam Speaker, will this minister not acknowledge that if the CRTC agrees to the rate increases, the stocks in his brother's stock options will stay up in value; if they do not agree, the stocks in the stock option value will go down? Is he totally ethically blind, or he will he now remove himself from this

portfolio so that the conflict of interest that is evident to every Manitoban will be evident finally to him?

Mr. Stefanson: Again, the member for Crescentwood is up to his usual tactics, talking about misleading, ethically blind, and again, all he need do is look in the mirror and he will see proof of an individual who represents those kinds of characteristics.

Again, what I would encourage him to do is to read a document that was provided, I believe, to his Leader yesterday, a document prepared by the MTS financial advisory group that outlines very clearly why what was done to MTS was in the best interests of all Manitobans, and that is a fact today. If you look at the service being provided, you look at the lowest residential rates in all of Canada. Again, I encourage the Leader of the Opposition (Mr. Doer) to share that document with his colleagues, particularly the member for Crescentwood, so he will understand—along with the member for Thompson (Mr. Ashton)—why it was privatized, why it was the right thing to do, and why it is in the best interests of all Manitobans to have done that.

Madam Speaker: Time for Oral Questions has expired.

Speaker's Ruling

Madam Speaker: I have a ruling for the House.

On April 8, 1998, the honourable member for Thompson (Mr. Ashton) brought forward a matter of privilege claiming that the Minister of Finance (Mr. Stefanson) and the Premier (Mr. Filmon) showed contempt for the House by deliberately making misleading statements.

I wish to thank all honourable members for their advice to the Chair on this matter of privilege.

I am satisfied that the honourable member raised his matter of privilege at the earliest opportunity. With respect to whether the member has made a prima facie case, I would refer the House to rulings by Speakers Walding, Phillips and Rocan who have clearly indicated that a deliberate misleading of the House involves an intent to mislead and/or knowledge that the

statement would mislead. Further, Speakers have ruled that when one member charges that another member has deliberately misled the House, the member making the charge must furnish proof of intent. I do not believe the honourable member for Thompson has provided proof to the House that the ministers in question intentionally or deliberately misled the House.

* (1420)

Joseph Maingot, in *Parliamentary Privilege in Canada* (second edition), states that an admission that either a member of the House was intentionally misled or an admission of facts that lead naturally to the conclusion that a member was intentionally misled, and a direct relationship between the misleading information and a proceeding in parliament would be necessary to establish a prima facie case of a matter of privilege. I have carefully read the Hansard transcripts of April 6 and 7, because they were referenced by the honourable member when he raised his matter of privilege, and I can find no indication of an admission on the part of the First Minister (Mr. Filmon) or the Minister of Finance (Mr. Stefanson), nor do I see how it is possible to reach that conclusion based on the statements that appear in Hansard. I must find, therefore, that there is not a prima facie case for a matter of privilege.

It appears there are conflicting perceptions of a set of events. However, as our rule book states, "a dispute arising between two members as to allegations of fact does not fulfill the conditions of parliamentary privilege."

Mr. Steve Ashton (Opposition House Leader): Yes, Madam Speaker, with all due respect, since I do not think there is any doubt that this government has misled the people of Manitoba time and time again deliberately on MTS, we challenge the ruling. How many more lies do you have to go and put on the record?

Some Honourable Members: Oh, oh.

Voice Vote

Madam Speaker: Order, please. The ruling of the Chair has been challenged. All those in favour of sustaining the ruling of the Chair, please say yea.

Some Honourable Members: Yea.

Madam Speaker: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Speaker: In my opinion, the Yeas have it.

Formal Vote

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

Madam Speaker: A recorded vote has been requested. Call in the members.

The question before the House is shall the ruling of the Chair be sustained.

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Cummings, Derkach, Downey, Driedger, Dyck, Enns, Faurichou, Filmon, Findlay, Gaudry, Gilleshammer, Helwer, Laurendeau, McAlpine, McCrae, McIntosh, Mitchelson, Newman, Penner, Pitura, Radcliffe, Reimer, Render, Rocan, Stefanson, Sveinson, Toews, Tweed, Vodrey.

Nays

Ashton, Barrett, Dewar, Doer, Evans (Brandon East), Evans (Interlake), Friesen, Hickes, Jennissen, Kowalski, Lamoureux, Lathlin, Mackintosh, Maloway, Martindale, Mihychuk, Reid, Robinson, Sale, Santos, Struthers, Wowchuk.

Mr. Clerk (William Remnant): Yeas 29, Nays 22.

Madam Speaker: The motion is accordingly carried.

MEMBERS' STATEMENTS

Concordia Hospital Personal Care Home

Mr. Gerry McAlpine (Sturgeon Creek): Madam Speaker, this morning my colleagues the Minister of

Family Services (Mrs. Mitchelson), the Minister of Justice (Mr. Toews) and the Minister of Health (Mr. Praznik) announced funding approval to construct a new personal care home at Concordia Hospital. This announcement reaffirms our government's commitment to add more beds to Manitoba's health care system. This project will add about 120 beds to the system upon completion and will alleviate some of the pressure currently on our acute care system.

The delivery and provision of quality health care has always been the No. 1 funding commitment for this government. Today's announcement reflects the commitment and will help ensure that in the years ahead Manitobans will have the care they need, when they need right in their own communities. When a new approximately \$12-million personal care home opens in the fall of 1999, 60 long-term care patients which are currently in acute care beds at Concordia will move into the new facility. That will return those 60 beds to the acute care system.

Madam Speaker, the Filmon government knows the value of partnerships and consultation. Our continuing partnerships and consultations with all Manitobans has led to repeated balanced budgets, a growing economy, and a health care system second to none. Today's investment at Concordia Hospital is truly an investment in the healthier future of all Manitobans. Thank you.

Capital Region Planning

Ms. Becky Barrett (Wellington): Madam Speaker, this week I was privileged to attend two public meetings that were very timely for Winnipeg and the Capital Region. Monday night, A Public Forum: Planning our Future, sponsored by the Free Press, the Council of Women of Winnipeg, the Winnipeg Real Estate Board, the Winnipeg Chamber of Commerce, was attended by over 100 citizens from Winnipeg and other communities of the Capital Region.

* (1520)

Professor Chris Leo of the University of Winnipeg and Gerry Couture from the City of Winnipeg provided excellent information and ideas that were the basis for small-group discussions and recommendations. It was a well-organized forum that identified a number of

concerns and challenges facing Winnipeg and the Capital Region and also several answers to those challenges, and we look forward to the report of that forum.

Yesterday, Tuesday, over 250 people attended Building Blocks, a housing forum sponsored by Centre Plan. Interesting, stimulating and informative speakers, panels and round-table discussions provided a variety of suggestions and plans for revitalizing downtown Winnipeg's housing and improving the city's quality of life.

Angela Mathieson did a remarkable job of coordinating this, her first conference. In addition to the specific ideas generated by these two events, those who attended took away an understanding that the Capital Region depends on the city of Winnipeg and vice versa. There is no shortage of great projects. What is needed is a commitment on behalf of all levels of government, the private sector, the nonprofit sector and the public at large to take these ideas and, working together, bring forth a vital and vibrant city of Winnipeg and Capital Region.

I call today on the province to make a commitment to follow up on these two excellent forums so they do not just gather dust the way so many other reports to this government have done.

Southport Aerospace Centre

Mr. David Faurchou (Portage la Prairie): Madam Speaker, this morning I had the opportunity to attend a ribbon cutting in Portage la Prairie at the Southport Aerospace Centre.

I would like to say that back in 1992 when the federal government decided to close the Southport air base, there was much concern in our community of Portage la Prairie because it was a significant employer and delivered a lot of economic development in Portage la Prairie. When faced with this challenge, though, the board of Southport Aerospace and their administration evaluated all of the strengths of the facilities and determined there were many opportunities. Since its inception, Southport Aerospace has strived to become a commercial centre for aerospace, industry, training and conferences, to just name a few. Without a doubt,

Southport is well on the road to succeeding with this goal of continued prosperity.

This morning at a press conference it was announced that Southport Aviation Services and Steve's Place will be opening their doors to add to the facilities at Southport Aerospace.

On behalf of all honourable members, I would like to add my congratulations to Mickie LaBrie and the board of directors of Southport Aerospace for their continued diligence in securing a diversified economic base in Portage la Prairie, and I congratulate the owners of Southport Aviation Services, Mr. Dan Krahn, for his endeavours and continued support of Portage la Prairie, as well as Steve Prince and his endeavour to bring forward his confectionery's facilities to the Southport Aerospace Centre. Thank you.

Ethelbert 4-H Club

Ms. Rosann Wowchuk (Swan River): Madam Speaker, last night I had the opportunity to visit with people in Ethelbert, and while I was there I had the opportunity to speak to parents and students about their concerns about departmental exams and the provincial exams in math which are causing them an awful lot of concern which the Minister of Education (Mrs. McIntosh) does not seem to recognize.

But I was really there to attend a 4-H Achievement Night where the Ethelbert 4-H Club was celebrating their 45th anniversary, 45 consecutive years of 4-H in one community, and there is a lot to be said for that community and the work that they have done with their 4-H'ers.

They had 26 members who took part in a wide array of projects from Outdoor Living; Crafts; Looking Good, Feeling Great; Self determined—Poetry; Foods; Group determined—Community Works; What are Crafts; Exploring 4-H; Clothing; Photography; Beef; and Getting a Jump on Life.

At this 4-H Achievement Night, two leaders were recognized for their 15 years of service, and that was Helen Stratuliak who served as club leader and led just about every project that needed leading during her time, and the second 15-year leader was Ilene Dowd who also is presently club leader but was an instructor in

whatever courses were needed, from mechanics to crafts to sewing if it was needed.

One outstanding leader was recognized for her 25 years, and that is Rona Kamfoly who has volunteered for, as I say, 25 years, and of those, 19 years she was a club leader. It was quite interesting to note that, while Rona was being awarded, one of her first students was there, and one of his children is now a member in the 4-H club. That is clear to see that—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. I am having difficulty hearing the honourable member for Swan River.

Ms. Wowchuk: Thank you, Madam Speaker. I just want to extend my congratulations to the three leaders who were recognized and to all the 4-H members, and just have all members recognize what an important role 4-H plays in the community.

Infrastructure Renewal—Northern Manitoba

Mr. Steve Ashton (Thompson): I wish to speak on a very important issue for northern Manitoba, and that is the issue of infrastructure.

Madam Speaker, over the last 10 years we have seen obvious examples in northern Manitoba of communities that are in very dire straits in terms of infrastructure. One such community is York Landing which currently is in a position where residents of that community have to boil their drinking water. They have been attempting to get action from the federal government. The federal government has refused to do anything more than come out with an interim solution. I want to put on the record my strong support for the community of York Landing and my hopes that the provincial government will also add its voice to the need for people in the community of York Landing to have what we all take for granted in this province, and that is proper sewer and water.

I want to stress, Madam Speaker, there are still many communities in northern Manitoba that do not have sewer and water facilities. I want to stress again, as we go into the new millennium, there is no excuse for any

community in the province of Manitoba, whether it is a First Nations community, a Northern Affairs community, no excuse for any community not to have appropriate sewer and water.

I want to add to that list, in terms of concerns, concerns about roads. Despite our efforts in this House to try and get the government to recognize the need to improve northern roads, we see year after year that there is very little, if any, attention being given to northern roads. Even though there was some progress last year on Highway 391, I want to note that the Leaf Rapids Chamber of Commerce and Nelson House and other communities and representatives of communities in northern Manitoba are pointing to the fact that once again in this Highways budget, northern Manitoba has been short-changed.

I might add, Madam Speaker, it is ironic that I was in the Lac du Bonnet constituency, and it seems they are extending their definition of the North, because I heard complaints about roads and road conditions in Lac du Bonnet. I know the member for Interlake (Mr. C. Evans) has concerns, the member for Swan River (Ms. Wowchuk), Dauphin. It seems the government's plan is to treat all of us in rural Manitoba like northerners. We do not want that; we want fairness. We want infrastructure for northern communities.

ORDERS OF THE DAY

Hon. James McCrae (Government House Leader): Madam Speaker, would you be so kind as to call the second reading bills as listed on page 5 of today's Order Paper, with the exception of Bill 31. When we have completed those introductions, if you would then call the bills as listed on the Order Paper beginning at page 2 in the order that you see them there. If something should happen in the meantime that we might be able to deal with Bill 31, which is on page 5, we will perhaps let you know.

SECOND READINGS

Bill 32—The Municipal Amendment and Consequential Amendments Act

Hon. Leonard Derkach (Minister of Rural Development): I move, seconded by the Minister of

Highways and Transportation (Mr. Findlay), that Bill 32, The Municipal Amendment and Consequential Amendments Act (Loi modifiant la Loi sur les municipalités et modifications corrélatives), be now read a second time and be referred to a committee of this House.

Motion presented.

* (1530)

Mr. Derkach: I am pleased to rise to speak in second reading to this bill, The Municipal Amendment and Consequential Amendments Act. Madam Speaker, members of this House will recall that in 1996 we passed a completely revised Municipal Act which took effect on January 1, 1997. The act has now been in place for approximately, well, more than a year now, and it appears to be serving Manitobans very well. I guess a measure of that success is that, through the consultative process that was established to redo The Municipal Act and the revisions of it, we have not had a lot of difficulty in terms of the way the act was implemented. By and large, municipalities are very satisfied with the act and with the way in which it has been implemented. So there have been very few amendments required to this point in time. However, as is often the case with major pieces of legislation, there are issues that come up from time to time and amendments are required for clarification and for housekeeping purposes.

Some of the amendments in this bill are of a housekeeping nature and are to clean up the act, so to speak, as it was introduced back in 1996, and others will accommodate locally driven initiatives for municipal restructuring. When I talk about municipal restructuring, I refer to the fact that over the last year we have had municipalities talking about such things as strengthening their regions and strengthening their ability to deal with local issues and looking at the possibilities of amalgamation and of working together. So one of the amendments that is incorporated in this legislation talks about strengthening the ability for local municipalities to restructure or to allow for amalgamation if that is their will.

Another of the recommendations or amendments in this bill relate to the ability of the Public Utilities Board, which is responsible for the approving of

operating deficits, to be able to do so in a way which requires municipalities to inform the Public Utilities Board when they see that there is going to be a deficit in the water and sewer utility systems. In addition, there are amendments which will streamline some of the municipal administrative processes such as the expenditure of specific purpose reserve funds. As we indicated and brought in the act in 1996, municipalities today have much more flexibility in determining how they utilize their funds.

Madam Speaker, as well, the bill clarifies municipal responsibility with respect to the maintenance of such things as drains on municipal properties. It also allows municipalities to deal with the closure or the opening of drains on municipal properties which might be affecting their infrastructure works that they have within the municipality. Also, this bill clarifies the authority of a municipality to cancel taxes or impose supplementary taxes to recognize adjustments in assessments.

So, in keeping with our tradition of consulting with the major organizations and stakeholders that this bill and amendments of this bill will impact, we have sought input from the Manitoba Association of Urban Municipalities, the Union of Manitoba Municipalities and the municipal administrators among others when we prepared the amendments for this bill. So I am confident that the amendments will address a number of concerns that have been raised by municipal officials, and the amendments will also help to enhance The Municipal Act which has already received a wide level of acceptance throughout the province.

So, with these few comments, Madam Speaker, I certainly recommend this bill to the members of this Legislature.

Mr. Clif Evans (Interlake): I move, seconded by the member for Selkirk (Mr. Dewar), that debate be adjourned.

Motion agreed to.

Bill 33—The Municipal Assessment Amendment and Consequential Amendments Act

Hon. Leonard Derkach (Minister of Rural Development): I move, seconded by the Minister of

Education (Mrs. McIntosh), that Bill 33, The Municipal Assessment Amendment and Consequential Amendments Act (Loi modifiant la Loi sur l'évaluation municipale et modifications corrélatives), be now read a second time and be referred to a committee of the House.

Motion presented.

Mr. Derkach: Madam Speaker, once again I am pleased to rise today to introduce Bill 33, The Municipal Assessment Amendment and Consequential Amendments Act for second reading. Members of this House will once again recall that the new assessment legislation was enacted back in 1990 which implemented the recommendations that were contained in the Manitoba Assessment Review Committee report, and today property assessments reflect market values, and this, of course, promotes greater equity and public understanding of our assessment system.

Now the assessments are also kept current through the reassessment cycle that we have introduced and implemented in the province, and currently we are on a four-year reassessment cycle. I would like to point out to members of the House that since 1990, we have had three province-wide reassessments in Manitoba, and we have completed our latest just a year ago. I would like to report that the rate of appeal for our assessments has been dropping continuously since the implementation of market value assessment.

In a 1998 reassessment, Madam Speaker, our rate of appeal is down to 1.3 percent in our province, which is the lowest since we have moved to the market value system of assessment. So today I am pleased to be introducing amendments that will continue to improve the assessment system and strengthen the basic premise of legislation that property be assessed to the registered owner of the land and that the responsibility for the property taxes rests with that owner.

To support our government's commitment to a competitive aviation environment, we are also introducing an amendment which will deal with an exemption for specific air site improvements such as runways, aprons and fencing, and this amendment is being proposed in this legislation. This is consistent with other provincial jurisdictions where airports have

been transferred to regional airport authorities, and it simply continues the exemption that was present under the municipal grants act when the federal government was responsible.

There are other amendments that will aid in the collection of information necessary for making assessments and to clarify the penalty provisions where a property owner may not wish to comply with the requests that are made for information. In addition, there are also provisions which will allow a nonprofit organization—it is an exemption from education taxes on property that they own or hold under a leasehold agreement or title. In addition, the provision setting out the formula charging municipalities for the cost of assessment services is being removed from the legislation and is being placed in a regulation.

This is being done in order to allow adjustments to the formula and to enable the formula to remain current. Input on the formula will be sought from our major stakeholders, and by that I mean the UMM and MAUM, and I would like to inform the members that the cost of assessment service to Manitoba municipalities at the current time is the lowest in Canada.

So, in concluding my remarks, Madam Speaker, I am confident that these legislative amendments will serve to strengthen our Municipal Assessment Act and renew our commitment to delivering a very high quality of property assessment efficiently and effectively for all residents and taxpayers and property owners within our province. So, once again, I recommend these amendments to the House.

Mr. Clif Evans (Interlake): Madam Speaker, I move, seconded by the member for Flin Flon (Mr. Jennissen), that debate be adjourned.

Motion agreed to.

* (1540)

Bill 34—The Public Schools Amendment Act

Hon. Linda McIntosh (Minister of Education and Training): I move, seconded by the Minister of Justice (Mr. Toews), that Bill 34, The Public Schools

Amendment Act; Loi modifiant la Loi sur les écoles publiques, be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. McIntosh: As Minister of Education and Training, it is my pleasure to introduce Bill 34, an act to amend The Public Schools Act, for second reading. The bill introduces a number of housekeeping changes to The Public Schools Act and amendments that will align trustees' terms with municipal elections. Another provision facilitates the voluntary amalgamation of school boards. It also contains provisions concerning the type of information contained in an auditor's supplementary report to a school division, makes the language of the act consistent with the federal Immigration Act and makes school board by-laws on trustee indemnities subject to The Public Schools Act or any other act of the Legislature.

Bill 34 repeals Sections 203 and 204 regarding the ability of school boards to use their reserve funds and corrects a number of typographical errors. For consistency in language, Bill 34 introduces amendments such as deleting the reference to "landed and immigrant" and substituting "permanent resident as defined in the Immigration Act (Canada)".

Bill 34 proposes to amend Sections 21.3(d) and 25 to lengthen the term of office of school trustees to four years and puts school trustees on the same election cycle as municipal councils. We believe that this will encourage greater voter turnout and reduce the cost of holding separate elections. These changes will also align the act with proposed revisions to The Municipal Act.

Bill 34 adds a provision to subsection 41(12) to allow the minister to make regulations on the type of information to be contained in an auditor's supplementary report. The act already requires an auditor to submit such a report to the school board. The proposed amendment simply permits the minister to make a regulation defining the type of information the report should provide.

Currently The Public Schools Act allows school boards by by-law to pay annual indemnities to trustees

and set the amount and conditions for payment. The amendment to Section 56(1) will make such by-laws subject to the act and any other act of the Legislature. By doing so, it will prohibit boards from offering any tax-free allowances for trustees, thus bringing their indemnities in line with the remuneration packages provided for members of the Legislative Assembly and municipal councils.

To facilitate voluntary school board amalgamations, we are committed to allowing an amalgamated school board to run a differential mill rate. For a period of no longer than three years, a newly formed school division will be able to levy different mill rates for school tax purposes. This will allow time to harmonize different cost structures and resolve any outstanding financial commitments that are recognized as the responsibility of the former school division ratepayers, such as an accumulated deficit. In this way, ratepayers will not be unfairly burdened with financial costs for which the previous division and its ratepayers are responsible. While there is a differential mill rate in effect, the bill also includes provision for the lowest mill rate to rise but not for the highest mill rate at the time of amalgamation to increase. This will protect residents in the amalgamated division from any loading of costs through a differential mill rate. By the end of the harmonization period, mill rates must be blended to one common mill rate.

Sections 203 and 204 of The Public Schools Act require school boards to make a written request of the Minister of Education and Training to expend portions of any reserve fund they may hold. Once permission to use some or all of its reserve fund is obtained, the Minister of Finance must then be authorized to pay from the reserve fund part or all of the funds requested by the school board.

Bill 34 proposes the repeal of Sections 203 and 204 to allow school boards greater responsibility in administering their own resources, and it removes disincentives for taking advantage of sound investment alternatives.

Madam Speaker, Bill 34 includes minor house-keeping changes but also makes significant amendments concerning how often and when school trustees are elected, the way in which they are remunerated and

how school divisions can manage their own financial resources. It offers incentives that encourage school divisions to amalgamate voluntarily. We have encouraged school divisions over the years to find creative ways of reducing their costs of operations. We believe these amendments will offer additional incentives to do so and ultimately improve the workings of our education system.

I thank you very much, Madam Speaker, for the time to put these few comments on the record.

Mr. Gerard Jennissen (Flin Flon): I move, seconded by the member for Selkirk (Mr. Dewar), that debate be now adjourned.

Motion agreed to.

Bill 36—The City of Winnipeg Amendment and Consequential Amendments Act

Hon. Jack Reimer (Minister of Urban Affairs): Madam Speaker, I move, seconded by the Minister of Government Services (Mr. Pitura), that Bill 36, The City of Winnipeg Amendment and Consequential Amendments Act (Loi modifiant la Loi sur la Ville de Winnipeg et modifications corrélatives), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Reimer: Madam Speaker, I am pleased to introduce for second reading Bill 36, The City of Winnipeg Amendment and Consequential Amendments Act.

Bill 36 marks a significant step in the evolution of the unicity model of civic government. Our community today is not what it was 10 years ago or even 20 years ago. Accordingly, we need to respond to the realities of our times by putting in place a new and enhanced political and administrative organization that can effectively respond to the challenges of the 21st Century. More than ever, citizens are aware of the importance of good financial management on the part of a government because of the impact it has on their quality of life.

Having been impacted by government debt and deficits, residents increasingly want the governments they elect to provide quality services that are also affordable. Value for money, accountability for decisions, managing performance and long-range planning are the expectations which citizens today have of government.

To respond to these challenges at the local level, the structure of the city government needs to adapt to new ways of providing services, the need to explore and implement it where appropriate. Essentially, Bill 36 tries to position the city of Winnipeg to function as a first-rate capital city.

Broadly speaking, the amendments to this bill fall into one of three categories. The first group of amendments deals with political and administrative reforms to civic government. These reforms are intended to strengthen leadership, accountability and responsiveness of city government to the electorate. The second category of amendments contained in this bill are those which reflect the principle of local government autonomy. Wherever it is reasonable to do so, the bill puts the power in the hands of the city, the level of government closest to the people. The third group of amendments is intended to streamline the decision-making processes for the City of Winnipeg and to enable the city to use new approaches to service delivery.

* (1550)

Let me now discuss these amendments in Bill 36 in greater detail giving the changes to the political and the administrative structure of the city. Under the political and administrative restructuring, as members of the Legislature are aware, in 1997 Winnipeg City Council commissioned a study to assess the political and the administrative organization of the city and to recommend ways in which it could be improved.

As part of this review, George Cuff and associates conducted over 200 interviews with current and former councillors, the board of commissioners, city managers and directors, provincial officials, and also members of the public. In October of 1997, the Cuff report was released. The Cuff report aimed at achieving the following objectives: simplifying and streamlining the

civic administration; providing better co-ordination between city departments; encouraging proactive management practices; ensuring administrative accountability; raising the level of trust between elected officials and senior management; and creating a co-ordinated, sound and coherent sense of direction for the city. After reviewing the report, City Council has acted decisively to implement it. It has also requested amendments to The City of Winnipeg Act to facilitate implementation of Cuff's recommendations.

This bill responds to council's request through a series of amendments which I now will outline. The term of office: The first significant amendment proposed in this bill is the extension of the term of office of the members of City Council from three years to four years, beginning with the 1998 civic election. As noted both by the Cuff report and the 1991 report of the Winnipeg Wards Review Committee, a four-year term provides a better opportunity than a three-year term for long-range planning at City Hall. Typically, the first year in office is spent developing cohesive and good working relationships among members of council, while most of the attention of the council during the final six months of the term is on the next election. That leaves only 18 months of a three-year term for focused and effective development and implementation of policies. A four-year term will give City Council a better opportunity to put their ideas and their plans into action.

Also under the amendments is the enhanced leadership role for the mayor. Unlike city councillors who are elected to represent a particular area of the city, the mayor is elected by all Winnipeggers and consequently represents the entire city. The mayor is therefore in a unique position to develop a city-wide vision, balancing local and neighbourhood interests against the interests of the city as a whole. The important leadership role which the mayor is uniquely capable of providing will be enhanced by this bill.

The changes proposed in the bill will grant the mayor of Winnipeg the authority to determine the size of Executive Policy Committee, which is EPC, to a maximum of seven, to appoint members of EPC, to cast a tie-breaking vote at council and to temporarily suspend the chief administrative officer, if necessary, subject to a review by EPC. These changes will grant

mayors of the City of Winnipeg a greater ability to exercise a leadership role, giving them a greater opportunity to implement their vision for the city.

There is also greater flexibility to council. At the same time as it provides for a more significant role for the mayor, the bill also proposes several amendments that will give City Council greater latitude in its procedure and its operation.

The amendments are as follows. It eliminates the reference to community committees in the act. Council will instead be able to establish council committees and to delegate duties and functions to them. It allows council or its committees to use whatever approaches are appropriate to seek input from citizens instead of limiting the city to only using residential advisor groups as the vehicle for citizen participation. This will give the city as many opportunities, if not more, to hold public hearings on as many issues as it wants.

The amendments also open the door to innovative approaches to citizen consultation, be they in the form of advisory bodies, workshops, special forums or hearings. It also allows council to hold its meetings in camera. In certain situations, such as when discussing personnel issues, the purchase, the sale or the lease of land, and privileged communications with its solicitors, an in-camera by-law will identify those categories of issues which can be dealt with in camera. This amendment will put council on the same footing with EPC and standing committees of council who already have the authority to deal with this matter in camera. It also gives council the authority to determine whether or not to establish standing committees and the numbers of standing committees. It also grants council the power to appoint and dismiss the chief administrative officer.

There is also greater scope for the executive policy committee. The bill will also provide the Executive Policy Committee with greater freedom in carrying out its functions. For example, the bill enables EPC to establish subcommittees as it considers advisable. In addition, although the mayor will be empowered to suspend the chief administrative officer for up to three days, as mentioned earlier, EPC will have the final decision about upholding the suspension or reinstating the CAO.

The chief administrative office, or the CAO, the City Council will also proceed with an important recommendation in the Cuff report, which is the change from a Board of Commissioners model to a CAO model for the city's administrative structure. This change will ensure that City Council will have a single point of contact within the civic administration. The move to a CAO model will also ensure greater accountability of the administration to the elected representatives. The buck will stop with the CAO.

In recognition of this decision by council, the bill establishes the CAO position as a statutory position in the act. The CAO will ultimately be responsible for the following: to ensure the implementation of council's policies and the programs; to appoint and dismiss employees except to the extent council otherwise directs; to supervise, manage and direct employees except to the extent council otherwise directs, and also to ensure that budgets are prepared.

Delegation of authority to local government. Now let me turn to the second category of amendments in the bill, the delegation of authority to local government. Members will have noticed that many of the amendments flowing from the Cuff report involve less prescriptive and more permissive legislation. The city has been given more freedom to carry out its functions in ways that make the most sense at a local level rather than being micromanaged by the province. This principle also applies to other amendments contained in the bill.

Penalties for violating by-laws in the act. The City of Winnipeg Act currently sets out penalties for violating the provisions of the act and controls the penalties which may be set for contravening the by-laws, which includes the licensing and zoning by-laws which are passed by the city. In many cases the penalties are out of date. For example, one of the current provisions allows council to set a fine of no more than \$25 for failing to obtain a licence for a mobile home. The current maximum penalty for tampering with, damaging or releasing dangerous substances into the city's water supply or waste water system is \$1,000 for individuals and \$5,000 for corporations. In many cases the act establishes the maximum penalties that can be imposed by the court and the other fines imposed by the court for violators are less costly than complying with the

law. For example, the fines imposed for failing to obtain a business licence are often less than the cost of the licence itself.

The amendments proposed in this bill will grant City Council the authority to establish by by-law minimum and maximum penalties as well as progressive structures for volunteer payments of fines when this is appropriate. This delegation of authority is consistent with other provinces. In addition, City Council is in the best position to ensure that appropriate penalties are established for violators of civic offences and that these penalties remain current and up to date.

* (1600)

The bill also proposes provisions which will assist the city in enforcing compliance with the act and the city by-laws. For example, it requires judges to set a time limit for payment when a fine is imposed and permits the judge to impose other penalties if the fine is not paid within the time period.

The bill will clarify that the city's authority to provide grants in support of activities which are advantageous to the city includes economic development and initiatives. Other municipalities have been given this power under the new Municipal Act. This authority will give Winnipeg a needed tool to promote and to encourage economic activity within the city.

The City of Winnipeg Act currently prohibits construction over waterways in the city except for highways and utilities and for projects which have been approved by provincial regulation. This is inconsistent with parts of the act which give the city responsibility for approving building activity in Winnipeg and, by by-law-making authority, to maintain and improve drainage, riverbank stability, and water flow in Winnipeg waterways.

The amendment proposed in this bill would eliminate this anomaly. It empowers City Council to pass a by-law which sets out the rules and the criteria for construction over waterways in the city. Until this by-law is passed, the current restrictions on construction over waterways is maintained. Should council decide to do so, it can opt to pass a by-law permitting the types

of development activity which are appropriate in, on, or over waterways.

Existing legislation allows anyone to access the information contained in property assessment and tax rolls. This information includes names and addresses of property owners in the city. For reasons of personal security, property owners have from time to time requested that their names be obscured from these rolls. This is currently permitted with respect to a voters list, but the city is not allowed to obscure names on its property assessment and tax rolls.

The amendment being proposed is modelled after provisions in The Local Authorities Election Act. It would permit the city to obscure an individual's name on assessment and tax rolls upon that person's request. This will provide better protection for those individuals who do not wish this personal information to be publicly available.

The third category of provisions in this bill are those which are designed to streamline decision-making processes and to provide for the framework for new approaches to service delivery. New legislation will enable Winnipeg City Council to establish special service units. Special operating agencies, SOAs, have proven very effective in reducing costs and increasing efficiencies at the provincial level, and the City of Winnipeg is interested in using alternative approaches to service delivery at the civic level.

Special service units will allow the city to provide goods and services to residents of Winnipeg in new and innovative ways. They will operate on the basis of a City Council approved charter which will set out the function of the special service unit as well as its operating terms and conditions, its source of financing, its contracting authority, and other parameters.

Apart from approving a special service units charter, the City Council will also be able to alter the operating charter of a special service unit or to dissolve it. Council must also approve an SSU's budget and will receive an annual report from each special service unit which will include an audited financial statement.

Finally, the legislation requires that council review the whole process of developing, implementing,

operating, and evaluating special service units every five years. Through special service units, multiyear budgeting and multiyear planning will be new opportunities which City Council can pursue in an effort to streamline service delivery and to encourage long-term planning in the delivery of services.

The City of Winnipeg Act requires the Ward Boundaries Commission to review the boundaries of elected wards in the city of Winnipeg at specific intervals. The act sets out the criteria to be used in developing new ward boundaries, and the commission is required to hold public hearings in the course of its review.

Membership in this commission is established in the act. The commission is made up of the Chief Justice of the Court of Queen's Bench, the president of the University of Winnipeg, and the returning officer of the City of Winnipeg. The city is required to pay the costs of these boundaries reviews.

The bill proposes two changes in the way in which the Ward Boundaries Commission currently operates. First, the bill would eliminate the requirement that the recommendations of the Ward Boundaries Commission be implemented by provincial regulation. Wards boundaries can and should be dealt with at the local level. Accordingly, the bill proposes that the commission's report will be filed with the city clerk and tabled with City Council. The new wards boundaries will then come into effect at the date set by the commission without any further action by the province.

This proposal mirrors developments in other provinces. Its intent is to streamline the process of wards boundaries reviews. It will dispense with provincial involvement in a matter which is local in nature. Finally, it will eliminate any suggestion of political involvement in establishing wards boundaries by entrusting this responsibility to an independent and an impartial body.

Secondly, because of the changes to a four-year civic term cycle, the current requirement that wards be reviewed every nine years is being changed to a review of every 10 years commencing in 1999. Anyone who is affected by a decision with respect to subdivision of land, a rezoning, a Plan Winnipeg amendment, or a

secondary planned amendment has a right to appeal such a decision on a question of law to the Court of Queen's Bench. Although the appeal must be filed within 30 days of the decision, there is no deadline for the hearing of its appeal.

Once an appeal is launched, procedural steps involved can often result in substantial delays in having the appeal heard. In fact, someone who disagrees with the city's decision can use legal procedures to delay a hearing on the appeal, thereby preventing the implementation of the city's decision for months and even years. This bill will prevent unreasonable delays in planning decision appeals.

It will require an appeal to be heard within 30 days after the appeal has been filed, although a judge would be free to grant time extensions if these are warranted. It will also require a judge to render a decision within 30 days of a hearing. This proposal is modelled after that of The Municipal Assessment Act, which also allows for appeal on a question of law, which sets out a time limit for a hearing subject to extensions granted by a judge. The provisions of this bill will ensure that those who are affected by a planning decision still have an opportunity to have the decision overturned on legal grounds but that this right of appeal is exercised within a reasonable period of time to allow all parties, including the city, to move ahead on this matter.

In conclusion, let me reiterate that this bill introduces significant reforms to municipal governance in the City of Winnipeg. Bill 36 recognizes that many activities and decisions affecting Winnipeggers can best be accomplished on a local level and delegate some responsibility to the city. It also recognizes that the mayor and City Council require more freedom in determining the best way to carry out their mandates and provides that needed flexibility. The bill reflects City Council's choices concerning the political and the administrative procedural structure for the city, and it gives the mayor and the councillors the time and the tools to develop and implement their vision for Winnipeg.

Finally, this bill will help to streamline city government and make it more effective in serving the residents of Winnipeg. I believe, Madam Speaker, that these amendments will serve the best interests of

Winnipeg. I recommend the bill to the members of this Legislature for their consideration and adaptation. Thank you.

Mr. Gregory Dewar (Selkirk): Madam Speaker, I move, seconded by the member for Thompson (Mr. Ashton), that debate be adjourned.

Motion agreed to.

* (1610)

Bill 37—The Farm Machinery and Equipment and Consequential Amendments Act

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I move, seconded by the Minister of Government Services (Mr. Pitura), that Bill 37, The Farm Machinery and Equipment and Consequential Amendments Act (Loi sur les machines et le matériel agricoles et modifications corrélatives), now be read a second time and be referred to a committee of this House.

Motion presented.

Mr. Enns: Madam Speaker and colleagues, the purpose of The Farm Machinery and Equipment Act is, of course, to provide Manitoba producers with warranty and repossession protection on farm machinery and equipment purchased in the province. It provides legally the guidelines on the length of warranty, replacement parts and services, replacement rentals, repossession procedures, sales contracts, and financing arrangements. The farm implement industry has changed substantially since the act was originally introduced in 1971. As a result, we have been working with the Manitoba agriculture industry to update the act as well as to harmonize various sections of the act with Saskatchewan and Alberta legislation.

The Farm Machinery Board has received numerous suggested changes from producers, dealers and vendors in the past 5 to 10 years. Many of the changes to the act are of a housekeeping nature, and the restructuring reflects the modern legal drafting principles that are now required. This is achieved most effectively by repealing and replacing the existing act as advised by Legislative Counsel.

Major proposed changes are highlighted as follows: the warranty provisions for new farm machinery or farm equipment will be one year for all machinery and equipment. Currently, combines and tractors have a two-year warranty. Producers are not given the option of the second-year warranty, but are assessed a surcharge ranging from 1.5 percent to 2 percent for the second-year warranty. This change will harmonize the act with other jurisdictions and ease the problems of dealers who are located near the Manitoba border. A provision in the act will allow the dealer or vendor to offer an extended warranty to producers. That is very often the case.

Lease and lease purchases are indicated in the act to reflect the current reality in the farm implement industry. The definition of dealer is redefined to include the lease provisions and to include only those retail businesses who engage in the three areas of selling or leasing farm machinery or equipment, selling repair parts, and operating a repair shop. In the current act, any business that is engaged in an area such as selling a repair part, for example, a belt or a bearing, is considered a dealer and must be licensed. That just has proven too cumbersome in this day and age. The proposed definition of dealer will enable the licensing of what the industry considers to be bona fide dealers. The annual bonding requirements will be eliminated for dealers and vendors, but the department will continue to operate the farm machinery and equipment fund.

Under the proposal, dealers and vendors will be required to pay a levy to the fund when and if the fund falls below \$400,000. The fund's purpose is to pay claims to purchasers for money owed to them by dealers or vendors in the event of business disruption. The provision that requires dealers to sell farm machinery or equipment or repair parts at the same price that is set out in the price list that is filed with the board will be eliminated. A new provision will enable a board to request the price list from vendors, but will not require the dealers to sell their products at that price. The market, quite frankly, should set the price.

The trial period for new farm machinery or equipment has been changed from 10 days usage from the first day of use to 50 hours of use for machinery or equipment that has an hour meter, or 10 consecutive days starting on the first day of use for machinery or

equipment without an hour meter. This clarifies the trial period, as there has been confusion over what constitutes a day of usage. The repair part warranty would be changed from one year from date of purchase to a period from the date of purchase not to exceed 12 months. That period will be set in the regulations. Currently, all other provinces give a 90-day warranty from first day of use on repair parts. The interested parties will be consulted before the actual warranty period will be determined and set out in regulations.

An application fee is being proposed to lien holders who make an application for leave to repossess. The fee will be set out in the regulations. The board does incur expenses in its attempt to mediate a settlement between the lien holder and purchaser. A new proposal is for the board to have the flexibility to grant a continuing leave. The board may grant an order of leave to repossess to continue until the purchaser has paid all amounts due to the lien holder. This provision will assist the board in dealing with purchasers who are taking advantage of the process by repeatedly delaying payments until after the board grants an order to repossess.

The amount that the vendor is required to pay the dealer for unused parts, where a dealership agreement is terminated, has been changed from 85 percent of the current net price to 90 percent when the agreement expires or is terminated by the dealer and 100 percent when the agreement is terminated by the vendor. This brings more fairness to the issue.

These proposed changes to the act were reviewed and commented on by KAP, our farm organization, the Canada West Equipment Dealers Association and the Manitoba Wholesale Implement Association. I do not represent, Madam Speaker, that all of the proposed changes meet all of the hopes and aspirations of the people involved in the sale and use of farm machinery in the province of Manitoba, but I do recommend the amendments to the committee as being appropriate for the year 1998, as we continue to provide for the kind of climate and services that our modern agriculture industry requires. I recommend it to the House.

Mr. Gregory Dewar (Selkirk): I move, seconded by the member for Broadway (Mr. Santos), that debate be now adjourned.

Motion agreed to.**Bill 41—The Life Leases and Consequential Amendments Act**

Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs): Madam Speaker, I move, seconded by the honourable Minister of Northern Affairs (Mr. Newman), that Bill 41, The Life Leases and Consequential Amendments Act; Loi sur les baux viagers et modifications corrélatives, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Radcliffe: Madam Speaker, I am delighted today to stand up and put a few remarks on the record which give some explanation as to The Life Leases and Consequential Amendments Act. First of all, I guess, I would like to pay a modest tribute to the members of our staff, the government researchers who have worked very assiduously over the course of this past year to really take apart a first draft or cut that we had this time last year and put this in a coherent, cogent and really effective form of legislation.

Specifically, Madam Speaker, life-lease projects are a cross between residential tenancies and condominiums. They apply to individuals over 55 years of age. There are a number of these projects that do exist now in Manitoba, and the Minister of Government Services (Mr. Pitura) looks a little askance at that, but I assure him that this is, in fact, veritably the truth.

Madam Speaker, the field at the present time is unregulated. There are a number of concepts that we have brought forward in this legislation which I think will bring some regularity, some formation and focus to the market. There has been extensive consultation. There was a draft discussion paper that was circulated to stakeholders in the industry, to people who had specific knowledge in the industry. We received their comments back and, in fact, incorporated some of their suggestions, the majority of their suggestions and improvements, into the legislation.

The major concepts that this legislation covers are, firstly, we have set out the criteria and the specifics that landlords or developers must furnish by way of information to consumers. This is a consumer-friendly piece of legislation. One of its principal objects is to inform the specific applicants who might be interested in putting their hard-earned money into a life-lease project, and we feel that if they do this knowingly they then have received all the protection that the law can offer.

Secondly, we have drafted some legislation which protects tenants' funds, the occupants' or the residents' funds. Nextly, Madam Speaker, there are a number of miscellaneous provisions which we have incorporated as well to reinforce and support this legislation.

Now, firstly, as I mentioned, the life lease is a cross between a condominium concept and a residential tenancy. In layman's language, the way this works is that the individual resident would put forward a prelease payment, which is like a token or earnest money, which is of a modest sum—it could be a couple of hundred dollars, \$500—and that then entitles the applicant or person to further consideration on the project—these are multiple housing units—and at that point in time, the particular person, the applicant, is entitled to further information.

The earnest money or the prelease payment is to be held in trust by a trustee or stakeholder and not to be disbursed until such time as it is evident from the developer's records that the project, the housing project, is to proceed and go ahead. If in fact there should be some adverse reaction to the proposed housing project, then the money is to be returned to the applicant. Some of the individual organizations in our community that are involved with this type of project are the Kiwanis, the Knights of Columbus, the various church groups and service groups in our community.

So these are all well-meaning, well-intentioned organizations, and the projects are for the benefit and well-being of our citizens. They provide an opportunity for some sort of communal living. These buildings would furnish recreation facilities, security systems, and are generally in the form of apartment blocks. The first step, then, as I have said, is that the applicant would provide a prelease payment, which is like earnest money which triggers the whole operation.

The next step, after it is determined that the project will proceed, the individual applicants are then called upon for an entrance fee, and an entrance fee is, in fact, significant money. That could be anywhere from \$30,000, \$40,000 to something like \$70,000, \$80,000. Now the difficulty, of course, with putting up this sort of funds is that the resident or applicant receives nothing specific in the way of a fee-simple title which one does for a stand-alone residence or even in the form of a condominium title. In fact, this is only a conceptual type of ownership. A resident or application is entitled to the right to occupy a particular air space and pay rent.

At the present time, with many of the projects that have been built and are occupied in the province of Manitoba, there is no title or any specificity to protect those individuals who have paid significant sums of money in their entrance fee. Consequently, Madam Speaker, what we have done is that, following along the line of information that the landlord or developer must extend to the applicants, we have said that we will protect these entrance fees or tenants' funds. We will do that, firstly, by saying and setting out that there must be specific information at this stage of the life of the communal project which must be disclosed to the tenant.

The design feature of the particular apartment and the amenities of the building should be displayed or disclosed to the individual applicant. The amount that will be demanded of the applicant for rent must be shared with him at that point in time.

Another item that is of significant concern and falls in the realm of consumer protection is that all the included items must be set out at the time of the payment of the entrance fee. More specifically, that would be whether parking is to be included or whether there are laundry facilities or recreational facilities—are these included in the rent? So these are some of the significant things that must be disclosed at this point in time. The amount of the entrance fee must, of course, be specifically stated.

Another issue that must be set out at this point in time at the payment of the entrance fee, Madam Speaker, is whether there is a limit of funds or specific amount of funds for future repairs for the communal project,

whether there is a refund fund. Because one of the attributes of this life-lease project is that there are two ways in which one can reobtain the entrance fee when one has no further use or desire to occupy the space that is allocated to the individual applicant.

One scheme is that there is a refund fund which is a portion of the entrance fee taken from every applicant and is held by a trustee. Upon somebody indicating that they wish to depart the communal residential property, they can apply for and have the appropriate amount of money paid out of the refund fund to that applicant. In that case they receive back their entrance fee, and they are free to go. You know, if there should be a situation where the resident has died or they have decided to seek alternative residential occupancy, then their deposit is returned to them. Their entrance fee is returned to them.

The other alternative, of course, is that they can sell their right of occupancy to another individual who would take the right of occupancy subject to the same limits and conditions, rights and regulations that the first person, the assignor, had. In this particular case there would then be no refund fund and the source of funds would be replaced from the incoming assignee. So those are the two envisaged, the two alternatives, as to how one would reobtain one's refund fund.

Now, Madam Speaker, one of the other items, of course, which is to be considered and set out and disclosed at the time of the entrance fee being paid is a statement of revenues and expenses and a statement of the budget for the communal living enterprise if in fact the repair fund is to be predicated and based on a percentage of operating expenses so that there would be the full concept of full disclosure. One of the methods of protection, which is now moving away from disclosure of information and moving to the next concept of protection of the tenants' funds, which has been incorporated into this legislation, is that this legislation envisages that there will be a maximum limit set for the prelease payment. The prelease payment, as I indicated, was the earnest money that is paid at the outset of one of these projects so that the individual tenants are not set in jeopardy by a loss of a very significant amount of money.

* (1630)

As I indicated earlier, the sponsoring groups or the developer must hold these payments in trust until it is certain that the project will proceed. Tenants will be entitled to a refund if the project does not proceed, and that is a refund of their prelease funds if there are not enough units sold. So they are back restored to the original position in which they were found, and there are time limits that are to be prescribed by the developer or landlord for this particular step as well, Madam Speaker.

Now, most importantly, the next step is that the entrance fee, which is the earnest money, which an individual tenant or applicant steps forward will be held by a trustee. Once the construction costs are determined whether there are fixed price contracts or there is bonding of the contractor and sufficient funds are determined to be on hand, either through mortgage funds or other, then the pool of funds, or the earnest money, is then turned over to the developer from the trustee and applied to the creation of a project.

Now, Madam Speaker, there are a number of other significant issues on this, and I do not want to perhaps tax my welcome in the Chamber at this point in time, so I will conclude my remarks by saying that there is impact from the Residential Tenancies Branch on this type of housing. However, for the nonprofit life-lease projects, they will not be regulated by the Residential Tenancies or rent control. Landlords who normally would be entitled to occupancy of a particular living unit under The Residential Tenancies Act will not be able to effect these rights under the life-lease projects. If the landlord wishes to demolish a life-lease project at some future point in time, he must obtain the permission and consent of the director of Residential Tenancies.

There are a number of other very significant issues involving this legislation. I hope to be able to share these with colleagues opposite and, in fact, propose to invite them to meet with my staff to go over the fine details. I have just given a very brief overview of the legislation at this point in time. Thank you very much, Madam Speaker.

Mr. Gerard Jennissen (Flin Flon): Madam Speaker, I move, seconded by the member for Broadway (Mr. Santos), that debate be adjourned.

Motion agreed to.

Bill 42—The Norway House Cree Nation Northern Flood Master Implementation Agreement Act

Hon. David Newman (Minister responsible for Native Affairs): Madam Speaker, I move, seconded by the honourable Minister of Consumer and Corporate Affairs (Mr. Radcliffe), that Bill 42, The Norway House Cree Nation Northern Flood Master Implementation Agreement Act (Loi sur l'Accord cadre de mise en oeuvre de la nation crie de Norway House relatif à la convention sur la submersion de terres du Nord manitobain), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Newman: Madam Speaker, Bill 42 takes us closer to completing the process of settling all outstanding claims under the Northern Flood Agreement. The master implementation agreement between Canada, Manitoba, Manitoba Hydro and the Norway House Cree Nation was signed and came into effect December 31, 1997, to meet the outstanding obligations to the Norway House Cree under the Northern Flood Agreement 1977.

The financial implications of that agreement were that the Norway House Cree Nation received a total of \$38.77 million in past expenditures from Canada, Manitoba and Manitoba Hydro, and loans forgiven from Manitoba and Manitoba Hydro totalling \$5.77 million. The band will also receive cash and bonds of \$78.9 million as follows: Manitoba, cash of \$16 million; Canada, cash of \$19.7 million; and, Manitoba Hydro, cash and bonds of \$43.2 million—so a total expense to the different parties to the agreement for the benefit of Norway House Cree Nation totalling \$123,440,000 in value.

In addition to that, there will be a transfer of land over time involving approximately 55,000 acres of provincial Crown land for designation as reserve land. In addition, there will be a provision of approximately 2,000 acres of land on a fee-simple basis with the title being held by a corporation under the trust. In addition, there will be an establishment of the Norway House resource management area and the formation of a

resource management board to advise on natural resource use and allocation issues.

The agreement, in return, releases Manitoba and Manitobans and Hydro from Northern Flood Agreement claims for compensation from the Norway House First Nation and its members through the establishment of a claims resolution process whereby Norway House First Nation is responsible for dealing with its members in regard to any and all claims for compensation.

Madam Speaker, the bill before this House is needed to execute the Norway House Master Implementation Agreement reached in December between those parties. Under the agreement, Manitoba and Canada must recommend and enact legislation to ensure that the agreement is given effect. As a result of this settlement, any claim or matter concerning Norway House that previously would have been dealt with under that original Northern Flood Agreement will be handled as stated by the Norway House First Nation under the master implementation agreement.

The bill is based on that master agreement, and the federal government is expected to introduce complementary legislation sometime this year. This bill is substantially similar to other bills passed to implement agreements reached earlier for Nelson House, Split Lake and York Factory in a comprehensive settlement of the Northern Flood Agreement 1977. With its passage, four of the five agreements with individual northern flood bands will be in place. A tripartite process is provided for in the agreement to work out the land settlement and resource management mechanisms. The First Nation will be able to augment its land base and take other measures to lay the groundwork for a secure, healthy and sustainable future.

As Minister Responsible for Native Affairs, I am very pleased to participate in the process of settling the issues under the Northern Flood Agreement and assisting the Norway House Cree Nation with its implementation plans. This bill is an important measure in a process of building good, long-term relationships between Manitoba, Manitobans and its First Nations communities.

I commend this bill to the House and would urge unanimous support for it and early passage. Thank you, Madam Speaker.

Mr. Gregory Dewar (Selkirk): Madam Speaker, I move, seconded by the member for Flin Flon (Mr. Jennissen), that debate be now adjourned.

Motion agreed to.

* (1640)

House Business

Hon. James McCrae (Government House Leader): Just before moving to Bill 44, I would like to obtain the unanimous agreement of the House to vary the Estimates sequence established under subrule 71(9) and tabled in the House March 24, 1998, by setting aside the Estimates of the Department of Health to consider the Estimates of the Department of Northern Affairs in Room 255 commencing tomorrow morning. This change would apply until further notice. This is the result of discussions between myself and the opposition House leader (Mr. Ashton).

Madam Speaker: Is there unanimous consent of the House to set aside the Estimates of the Department of Health and deal with the departments of Northern Affairs and Native Affairs until further notice, commencing Thursday, tomorrow a.m. Is there unanimous consent? [agreed]

Bill 44—The Statute Law Amendment Act, 1998

Hon. James McCrae (Government House Leader): Madam Speaker, on behalf of the Minister of Justice (Mr. Toews), and seconded by the honourable Minister of Education and Training (Mrs. McIntosh), I move that Bill 44, The Statute Law Amendment Act, 1998 (Loi de 1998 modifiant diverses dispositions législatives), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. McCrae: Madam Speaker, every session, the Minister of Justice (Mr. Toews) brings forward a statute

law amendment bill which updates inconsequential and sometimes consequential, but noncontroversial ways, amends various parts of the body of law of the Province of Manitoba. I am very pleased today to have been asked by the Minister of Justice to stand in his stead and introduce this legislation.

As one who has had the honour to be Minister of Justice for the Province of Manitoba, I have also had the honour on a number of occasions in the past to introduce bills like this, and, over the years, I have learned that any of these bills that contain legislation that is substantive in nature have a more difficult time getting through and usually get amended to remove those more substantive parts.

In that regard, I have been assured by the Minister of Justice that the bill in the form it is presented today meets the kind of criteria honourable members on both sides have kind of set for it over the years, i.e., legislation that, how shall I put it, is somewhat inconsequential and yet consequential depending on the legislation being amended by The Statute Law Amendment Act, 1998.

So, with those few words, Madam Speaker, I would commend this bill to the thoughtful consideration and support of all honourable members. Thank you.

Mr. Gerard Jennissen (Flin Flon): Madam Speaker, I move, seconded by the member for Selkirk (Mr. Dewar), that debate be now adjourned.

Motion agreed to.

DEBATE ON SECOND READINGS

Bill 2—The Elections Amendment Act

Madam Speaker: To resume adjourned debate on second readings, on the proposed motion of the honourable First Minister (Mr. Filmon), Bill 2, The Elections Amendment Act (Loi modifiant la Loi électorale), standing in the name of the honourable Leader of the official opposition (Mr. Doer).

Is there leave to permit the bill to remain standing? [agreed]

Bill 4—The Child and Family Services Amendment and Consequential Amendments Act

Madam Speaker: To resume adjourned debate on the proposed motion of the honourable Minister of Family Services (Mrs. Mitchelson), Bill 4, The Child and Family Services Amendment and Consequential Amendments Act (Loi modifiant la Loi sur les services à l'enfant et à la famille et modifications corrélatives), standing in the name of the honourable member for Broadway (Mr. Santos), who has 36 minutes remaining, and standing in the name of the honourable member for Transcona (Mr. Reid).

Is there leave to permit the bill to remain standing in the name of the honourable member for Transcona? [agreed]

Mr. Conrad Santos (Broadway): Bill 4 relates to The Child and Family Services Amendment Act. I first would like to recall some of the background of this bill and then go into the issues.

This legislation, which established the Children's Advocate office, was created by an amendment to The Child and Family Services Act passed in June 1992. In the meantime, by December, the government appointed the first Office of the Children's Advocate, and he was serving under the pleasure of the government, the Minister of Government Services (Mr. Pitura)

Then, in April 1993, the legislation which created this Children's Advocate office was proclaimed, but there was a mandate in the legislation that there shall be a review of that legislation after three years. This review will be done by the Legislature itself, and the Legislature, through its Standing Committee on Privileges and Elections, appointed a subcommittee to conduct hearings on the operation of this office. They started holding public hearings in April 1997 and went through to May, and then, finally, they presented the report on June 24, 1997. If I may add, this is an all-party standing committee of the Legislature. All political parties are represented on the committee.

Mr. Marcel Laurendeau, Deputy Speaker, in the Chair

Before I go to the substantive content of the report, which is now embodied in this bill before us, Bill 4, I

would like to focus on the importance of children and the issue of children's welfare in our society. We know that after us our children will be growing up, and they will be replacing us as members of society and as citizens. It is therefore important that they be brought up properly. Every child, to my way of thinking, has a right to be loved, a right to be well fed and a right to be well instructed, but because of the vicissitudes in our everyday workaday world, we sometimes neglect this important role as parents, and when parents can no longer perform their parental duties and responsibilities to their children, somehow the state, the government, will have to take over; otherwise we will be left with children with no guide, no instruction, and because of the imagination of children, if they are not instructed and properly guided, we will have problems on our hands.

It is indeed exciting to be in the perspective of a child when you are in the realm of innocence with your imagination roaming around, chasing the stars. There seems to be no limit to a child's imagination. In the words of a poet, to be a child again is to see a world in a grain of sand and a heaven in a wildflower, hold infinity in the palm of your hand and eternity in an hour.

Eternity in an hour, this is in the perspective of a little child while yet in the realm of innocence, but the moment the child has grown neglected, like the wildflowers, like the wild grasses, they will be difficult to manage. So, unless we tell them what to do, they will not know what to do; but, if properly instructed, they will know the way to go.

It is said in the Proverbs: train a child in the way he should go and when he is old, he will not turn away from it. It is very important, therefore, that they be initiated in the proper direction. Indeed, psychologists confirm this. They say that the infant, the baby in the first seven years of his life, if well cared for, attended to all his needs, has a feeling that he is being loved by the parents, he will grow up to be a responsible adult in life.

* (1650)

So, if we discharge our responsibilities as parents with respect to the child in the first seven important years of life, then you can leave the child alone and it

will be a responsible being because of the training instilled in the psyche, in the mind, in the personality of this child. But, if the child is left alone—and this is the usual case now in our workaday world where both parents are working; they leave the child to a babysitter, practically a stranger—there is no concern or love for the child who is helpless. The child, when he feels that he is abandoned, will be greatly disappointed in life. He will be full of disappointments and disillusionment as a person, and when that happens, you will see the behaviour change, as we have been seeing now.

Children nowadays, the moment they become a little bit older, enough to understand the world around them, we now notice that they love luxury so much. They have developed bad manners. They have this childish contempt for authority, even the authority of their parents. They show disrespect to their elders. They love to gossip and chatter around instead of following their exercise. They tyrannize even their own parents, the young kids, we call them punks. They no longer rise when elderly enters the room. They contradict their parents openly. They gobble up food with no right kind of conduct, or etiquette of any kind, and they even tyrannize their teachers.

I have been young and have been a teenager and growing old now. I have not seen yet any child who not only disobeys their parents, they even commit criminal offences against their parents. This is unusual in our world today. Therefore, it is very important that we start the child properly by training them and instructing them.

It is said that if we teach our children the moral code, the laws of God, the Ten Commandments, early in their life, if they do not forget the 10 moral codes—there is the lawgiver Moses—then there is a promise that in their life, length of days, years of life, and peace will be theirs. So it is also the virtues that we as parents can impart to our children. Let not kindness and truth forsake you. Bind them around your neck; write them in the table of thine heart, then you will find favour and good repute before the eyes of God and men. If we raise up kids who are honest and kind, who are truthful, who have integrity, then they gain the respect of their fellows and their elders and people around them.

We as parents sometimes will teach them, like any preacher, the good rule of conduct which in the eyes of

the kids, the children, are contrary to what we are actually doing. Let me give you an example. Supposing a father said to the kid, do not smoke, that is not good for you, it is not healthy for you to smoke, and he is saying this while his own lips have the cigarette. The behaviour is contradictory to the teaching, and, then, of course, it will not be effective because the child will observe, and the child will see that he himself is not living up to that moral code of conduct. So, in this inconsistency, the child will not listen at all. In fact, he will be skeptical and cynical about all these instructions.

But, if we show, by our own behaviour, by our own example as parents, we do not have to teach them or say to them, we do not have to preach to them because our own way of life, our own behaviour will be the best teacher there ever can be with respect around children. Any parents who cannot control their own children in their own home, how can we expect the government or the state or the justice system to control them in the streets? It is not possible. The primary responsibility, as I have stated, resides in the hands of the parents.

The parents themselves cannot be in all things because they have to earn a living. Sometimes the father and the mother have to work, and they neglect their children, and the children grow up without proper instruction. This is the beginning of problems in our society. Now, when the children become teenagers, and they begin to sow wild oats, then it is time for the parents to put out the threshing machine. I do not agree with those who say, let them do what they want. I do not agree. Personally, I think they should be subjected to some kind of disciplinary behaviour. There is a place and a time where the behaviour has to stop. You do not have to be cruel parents to do that. All you need to have is a firm decision: this is it. Be careful though, you do not hit a child in the face because you may miss, and you may hurt yourself.

An Honourable Member: Just a little tap on you know where.

Mr. Santos: Well, you smack the child in the one end and remind him. If it does not work, then you touch the other end. But it is no good to hurt them physically, not at all, because they resent this. The best way is really

to teach them through proper teaching by example, followed by a reminder that this is not the way to do it.

An Honourable Member: You are not a proponent of corporal punishment.

Mr. Santos: I am not proposing corporal punishment, but a little discipline. I can even send my kid to some karate thing, so they will be disciplined there. Well, that is the way to hit. They understand what it is to be there, and they get hit there formally, and you even pay for it. Well, there is a moral code attached to this kind of behaviour also, they are not supposed to hit without any reason.

Mr. Deputy Speaker: Order, please. When this matter is again before the House, the honourable member for Broadway (Mr. Santos) will have 21 minutes remaining. As previously agreed, this matter will also remain standing in the name of the honourable member for Transcona (Mr. Reid).

* (1700)

PRIVATE MEMBERS' BUSINESS

Mr. Deputy Speaker: The hour now being five o'clock, time for private members' hour.

PROPOSED RESOLUTIONS

Res. 26—Jobs and the Economy

Mr. Gerry McAlpine (Sturgeon Creek): I move, seconded by the honourable member for Pembina (Mr. Dyck), that

“WHEREAS Manitoba has been leading the nation in job creation; and

“WHEREAS the Toronto Dominion Bank forecasts that the Manitoba economy will expand by over 4% in 1997, creating nearly 14,000 jobs; and

“WHEREAS Manitoba's jobless rate has been below 7% for most of 1997; and

“WHEREAS full-time jobs have accounted for nearly 90% of Manitoba's year-to-date job growth, with an

increase of 3.2%, the second strongest of the provinces and far ahead of Canada's 1.5% growth; and

“WHEREAS all of Manitoba's 1997 job growth has been in the private sector; and

“WHEREAS a recent KPMG report showed that, among 42 cities studied in seven countries, Winnipeg was the ninth most affordable place for business investment.

“THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba support the government in its continued effort to create a competitive business climate which will continue the goal of making Manitoba the best place to live, work, invest and raise a family.”

Motion presented.

Mr. McAlpine: Mr. Deputy Speaker, it is a pleasure for me to rise on this very important resolution. I think that honourable members over there are hurting to the full extent, because this government has created an environment that this province has never seen in decades, and the honourable members across the way have failed to see the opportunities and the benefits, and I urge them to support this resolution to the fullest extent.

I want to put some statistics on the record, because I think these are important things that all Manitobans should hear. Too often the wrong message is given and the wrong people are listened to. I make reference to some honourable members across the way. I will not mention any particular names, but they know who they are. I think it is unfortunate that there are people in this Legislature that are giving the incorrect messages that Manitobans are relying on.

I think it is important that Manitobans realize and know that Manitoba leads the country as far as opportunities are concerned, and this is—[interjection] Well, the honourable member talks about northern Manitoba. Yes, there are opportunities in the North just as there are anywhere. I think people who take the initiative—I mean, this is not something that as far as looking for opportunities—people, ourselves, we create our own opportunities. We create our own destinies.

I always tell, in another business that I have, that I work with, professional athletes, that, in terms of what you are going to do and what your success is, it is 90 percent attitude and 10 percent talent.

Mr. Deputy Speaker, I think that if the honourable members across the way were giving that type of message to people who they are consulting or counselling, there may even be better things in the province of Manitoba. When you consider that we are approaching an unemployment rate in this province of around 5 percent, that is almost like a zero percent unemployment rate. In my lifetime, I do not think that I have seen much better than that.

Manitoba's seasonal unemployment rate fell sharply to just 5.2 percent in March and from 5.8 percent in February. Those are the facts. Those are not our numbers. Those are the hard facts of this whole aspect of employment in the province of Manitoba. Our jobless rate is now the lowest in Canada and the lowest for Manitoba since February 1981.

An Honourable Member: Not in Sturgeon Creek.

Mr. McAlpine: Well, the honourable member talks about the people in Sturgeon Creek, and the honourable member across the way talks about the people in the North. Well, I will tell you, Mr. Deputy Speaker, you know, the thing that people have to do is to take responsibility for their own destinies. The people in this Legislature who say about the poor people in the North or the poor people wherever, they have to create their own destiny. There is no free lunch out there.

Certainly, there are tremendous opportunities in this province. It is just a matter of waking up to the fact and getting out of the whole aspect of not being able to succeed, looking down on the negative side, like looking for somebody to do something for us because they cannot do it for themselves. Well, anything that I have ever had to do as an individual or anything that I have ever seen or worked with people, it is what they have done for themselves.

The honourable Leader of the official opposition, I do not know how much assistance he got in where has gotten today. [interjection] Well, I am sure he did, and he did all by his own bootstraps. I think that he should

probably convey that message to other people who will listen to him instead of taking the other approach.

Mr. Deputy Speaker, so many things in Manitoba we have—the full-time employment in the province of Manitoba showed a big gain in March of 1998, and I compared this to March of 1997, which is up 14,700 jobs over last year. You know, for a province of approximately a million people and, I guess, the employment numbers that we have in the province of Manitoba of around 500,000, that is a significant increase of 14,700. Those are full-time jobs. I offer to the honourable member for The Pas (Mr. Lathlin) that those are significant numbers, and he cannot argue with that. I hope that he will come to this Chamber and support this resolution, because those are impressive numbers.

* (1710)

An Honourable Member: What is the unemployment rate in the North?

Mr. McAlpine: Well, again, he refers to, what is the unemployment rate, you know, in the North? I say, listen, there are opportunities in the North. There are opportunities everywhere in Manitoba. There are opportunities everywhere in Canada. We just have to go out and find them.

Mr. Deputy Speaker, all the forecasters are even more optimistic with regard to the future of Manitoba than the Conference Board about job growth in Manitoba this year. I think we owe a lot of this to this government because we are not going out and this government is not offering jobs to the people of Manitoba. All they are doing is offering opportunities and creating an environment. It is the private sector that creates the opportunities for jobs and employment. As one of my honourable members says, those are the engines that drive the economy of the province. That is different than the honourable members across the way have been used to, because they believe that government should be creating that employment, government should be offering the jobs, and that is not the way.

Mr. Deputy Speaker, the total new capital investment in Manitoba is expected to reach—

Mr. Deputy Speaker: Order, please. I hate to interrupt the honourable member, but I am starting to have difficulty hearing him. If there are some members who want to have a discussion, I would ask them if they could do it in the loge or out in the hall.

Mr. McAlpine: Mr. Deputy Speaker, I do want to thank you. It is awfully considerate of you to offer that.

I was talking about the new capital investment in Manitoba. It is expected to reach \$4.94 billion in 1998, a 6.3 percent gain from 1997 levels, and that for a province of approximately a million people. Those are impressive numbers, just above the forecasted national gain of 6.2 percent. Manitoba's growth in total capital investment was also above the national average for the past three years, running from 1995 through to 1997.

Mr. Deputy Speaker, another area that is another engine that drives the economy of this province is the manufacturing sector. Manufacturing investment should reach over \$620 million in Manitoba this year, which is a 15.4 percent gain over revised 1997 levels, and our performance this year should be the third best provincially and far stronger than the expected national average of just 1 percent.

On a year-to-year basis, Mr. Deputy Speaker, for the first two months of 1998, manufacturing shipments were up 10.2 percent, another impressive number. These are things that I think that—[interjection] This 10.2 percent is second best in the country and nearly four times Canada's 2.6 percent gain for the same period. Especially strong growth areas for Manitoba's manufacturing sector in the first two months of 1998 were transportation equipment, up \$44 million or 19.3 percent; and food processing, up \$45 million or 14.7 percent; and machinery industry, up \$26 million or 13.9 percent; clothing up \$13 million or 29.6 percent; and printing and publishing up \$12 million or 16 percent.

Mr. Deputy Speaker, all these increases are double-digit numbers. You know, when they talk about the doom and gloom that they would like to see in this province, I really have difficulty in understanding how they can communicate such rhetoric to the people of Manitoba when there are facts out there that prove them wrong.

Provincial labour income growth was also strong in 1996, rising by 3 percent, \$417 million above Canada's 2.8 percent. Total personal income growth is up 4.7 percent, the second best performance among the provinces and more than double the national growth of 2 percent.

Mr. Deputy Speaker, I would just like to conclude by saying, and I know that my time has almost elapsed, but I would like to say we are very fortunate people to be living in a province with an economy that has been established over the past 10 years and a government that has created an environment that free enterprise can prosper and investment can be the engine behind the economy. I want all members of this Legislature to support me in this resolution in congratulating this government on the tremendous job that they have done. Thank you.

Mr. Tim Sale (Crescentwood): The honourable member uses statistics like a drunk uses a lamppost, more for support than illumination.

Some Honourable Members: Oh, oh.

Mr. Sale: You have to remember that there was this wonderful TV series called Lassie. I am sure you watched it as a child. There are a number of good things about canines.

Mr. Deputy Speaker, the interesting reality in Manitoba is that there are two very different economies at work. There is no question, when those in our—

Mr. Deputy Speaker: Order, please. I hate to interrupt the honourable member for Crescentwood, but you have not really started yet. Could I ask the honourable members to just tone it down just a few octaves. I know you are really having a good time entering into this debate, but I am sure you will all have an opportunity with what time we have left on the clock to enter into the debate.

The honourable member for Crescentwood, to continue.

Mr. Sale: Thank you, Mr. Deputy Speaker. As I was saying, there really are two economies evident in Manitoba. When members of our caucus tour in

southern Manitoba, where we expect to win a number of seats in the next election—

Some Honourable Members: Oh, oh.

Mr. Sale: Pembina is on our list, yes. There are a number on our list.

We noticed that the unemployment rate in prosperous little towns like Rosenort and other communities in southern Manitoba is very low. Those communities are thriving, and we are glad that is the case. We are pleased for the people of southern Manitoba that their economy is doing well and that the unemployment is very low. I have for the last three years been compiling the monthly adjusted employment numbers from Statistics Canada, and this is why I say that the honourable member opposite uses statistics rather like a drunk uses a lamppost, because the numbers from Statistics Canada bear very little resemblance to what he is putting on the record.

Just to give a couple of examples, in 1997 in January, we had 540,900 Manitobans at work, full and part time, private and public sector. Fifteen months later, the numbers that were announced for March, in early April, 543,900 Manitobans at work. Now that is all of '97 and the first three months in '98, 15 months. We have had 3,000 more people at work over 15 months. So I am not sure where he is finding the numbers he is finding, but StatsCan announces these every month. I put them in my computer and print them out from time to time and have a look, and this is what I see: 3,000 job growth over 15 months. That is about 200 a month, not exactly a sterling record.

* (1720)

But, even more troubling, we have heard a lot about our workforce. Well, in that same month in January 1997, our labour force was 581,700. That was, in fact, the highest it had ever been. The truth be told, it is the highest it has ever been since, because since that time our labour force has fallen some 8,000 to 573,700, as of last month, so we have lost 8,000 out of the labour force and we gained 3,000 jobs. That does not exactly depict, as far as my understanding, a sterling record over the last 15 months. In fact, if those 8,000 people had stayed in the labour force instead of giving up or

leaving or moving to Saskatchewan, which a number of them did, we would have an unemployment rate of 6.5 percent, not 5.2 percent. That would be marginally better than what we had the year before, but not much. It would put us in third place behind Saskatchewan and Alberta, where we traditionally in fact have been. So the reason that we are suddenly apparently in No. 1 is because our labour force declined by 8,000 workers over the last year, not because we had great job growth.

When you look at 1997, to date, from January '97 to March '98, 15 months, you will find that Canada's job creation rate, depending on which of the numbers you use, whether it is actual or seasonally adjusted, including full and part time, total job creation rate, is four times as fast as Manitoba's. Manitoba's is the third worst in Canada, behind only P.E.I. and Newfoundland, so our job creation rate during 1997 was terrible. If the member really wants to have some honest numbers on the record, he would look back at 1996.

Point of Order

Mr. McAlpine: A point of order, Mr. Deputy Speaker. You know, the honourable member, I mean he can make reference to the drunk and the lamppost, and he can talk about honesty and things like that. In reference to the matter of honesty, when he imputes motive over here, in his reference to the drunk using the lamppost, I look across. With the information that is coming from the honourable member, it is hard to distinguish which is the drunk and which is the lamppost. So I would ask you to bring him to order.

Mr. Deputy Speaker: The member for Thompson, on the same point of order.

Mr. Steve Ashton (Thompson): Yes, Mr. Deputy Speaker, I think the reference that the member opposite objected to was to honest numbers. Indeed, the member has put a lot of honest numbers on the record. I do not know why the member would take any offence to that. I suggest, given the latter part of his comments, there is no point of order.

Mr. Deputy Speaker: I would like to thank the honourable members for their comments. The honourable member for Thompson is correct. There is no point of order. It is clearly a dispute over the facts.

The honourable member for Crescentwood, to continue.

* * *

Mr. Sale: Mr. Deputy Speaker, as I said, if the member would like to have some honest numbers on the record, he would in fact go back to 1996. In 1996, there was rather good job growth. That was an outstanding year in many ways. I have acknowledged that in public, and I would acknowledge it again. I have no trouble acknowledging it because it is the only year in 10 years where there was good job growth. There was terrible job growth for the government's first eight years. They had one good year, 1996; 1997 was a bust; and so far this year, in three months, we have gone from December at the end of last year, 542.6 to 543.9. Big deal, it has gone up 1,300 jobs, so the job growth in every year except 1996 was abysmal under this government's strategy.

It took longer for Manitoba to come out of the recession than most other parts of the country. We stayed in it longer. Our unemployment numbers stayed higher longer. Finally, in one year we had a great year. We did a little bit of catching up, and now it has stopped again. The job creation rate in Manitoba is third worst in Canada, not the best, third worst. It is far behind Canada, running at approximately between a sixth and a quarter of Canada's job creation rate in the last 15 months.

Now, when you take into account, Mr. Deputy Speaker, that more than 6,000 people voted on the government's effect at creating decent jobs last year, they voted by leaving, the highest rate of loss of our province's population in years. They went to Saskatchewan, a thousand of them; a number went to Alberta and more went to B.C. Six thousand Manitobans voted with their feet last year on this government's job creation record.

For all of the partisan rhetoric in this debate, and we have fun with that, I know, in the House, there is very a serious issue that I want to move to, and that is the completely misleading nature of our job numbers as collected by Statistics Canada in Manitoba, for a very important and serious reason that I would hope all members opposite would understand. Statistics Canada

does not even gather information about aboriginal people, First Nations people, who live on reserves. Now if the proportion of aboriginal people on reserve across the country were identical, this might not skew the statistics. It would still dishonour their role as citizens. It would still make it plain to them that they did not count when it came to an important piece of information on which most Canadians make decisions. It would still treat them as second-class citizens, but it would not distort the statistics.

However, the reality is that there are two provinces in Canada, Saskatchewan and Manitoba, that have over 10 percent of their population are aboriginal, and 7 percent of that lives on reserves. The unemployment level on reserves ranges from maybe a little under 50 percent to over 90 percent. So, if we were comparing ourselves fairly with Ontario, Nova Scotia, New Brunswick, Quebec, B.C., certainly P.E.I. and Newfoundland, we would acknowledge that the real unemployment in this province is in the order of 12 percent, very like Newfoundland, very like Nova Scotia and New Brunswick. That is because aboriginal workers in this province make up a much higher proportion of our workforce than they do in Ontario.

So StatsCan's failure to report honestly on all of those who would like to work in this province and cannot do so seriously distorts our understanding of our economy, because in the real world of the economy we are carrying an unemployment burden of between 10 percent and 12 percent without counting discouraged workers, without counting youth who have not rejoined the labour force since the last recession, without counting part-time workers that would like to work full time. We are carrying between 10 percent and 12 percent unemployment in the real world.

That is a Statistics Canada failure to count aboriginal people in their survey work. It dishonours aboriginal people; it dishonours their role as citizens, but, more importantly, it fools us into thinking that we have a low unemployment level when in fact we do not. We have a very serious unemployment level in this province.

This government has failed utterly to come to grips with the need to encourage and to enable aboriginal people to take the kind of role they would like to take to become full economic participants in this economy.

They pretend that we are fully employed. They pretend that this is just a problem, and we have listened to the First Minister (Mr. Filmon) saying, well, it is Ottawa's problem; you know, they are on reserves, that is Ottawa's problem.

They are citizens of this province. They contribute to this province's economy. We have a stake; they have a stake. The unemployment situation in this province is incredibly serious, because we have failed to take into account the needs of our First Nations people. We do not even care enough to count them when it comes to their need for employment and their unemployment situation, Mr. Deputy Speaker. This is a very serious issue. For all of the rhetoric that comes from the other side of the House about our sterling economy, we are running at less than 90 percent employment. We are like New Brunswick and like Nova Scotia in that regard. The sooner we face up to it, the sooner it will be a more truthful situation on which to base public policy.

* (1730)

Therefore, I move, seconded by the honourable member for The Pas (Mr. Lathlin), that everything after the first WHEREAS be deleted and the following added:

“WHEREAS since 1997, Canada's job creation rate has been more than four times faster than Manitoba's; and

“WHEREAS in the fifteen months since January 1997, Manitoba's workforce has declined by 8,000 workers; and

“WHEREAS only 3,000 new jobs have been created in the entire 15 months period since January, 1997; and

“WHEREAS more than 6,000 Manitobans left the province during 1997; and

“WHEREAS the unemployment statistics in Manitoba do not include any figures for the more than 64,000 Manitobans who live in reserve communities where unemployment rates range from 50% to 90% or more; and

“WHEREAS the deliberate omission of these citizens from labour force statistics results in grossly incorrect unemployment statistics.

“THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the Provincial Government to consider immediately changing the manner in which employment, work force and unemployment statistics are collected and reported in Manitoba so as to reflect accurately the real rates of unemployment and employment in Manitoba; and

“BE IT FURTHER RESOLVED that this Assembly urge the Provincial Government to consider making stronger efforts to create a business, employment and public services climate which will have the goal of making Manitoba the best place to work, to live, to invest and to raise a family.”

Motion presented.

Mr. Deputy Speaker: We are going to take the matter as notice and bring it back to the House when the matter is again before the House.

Mr. Peter Dyck (Pembina): First of all, I want to certainly register my disappointment in the members opposite for not accepting the resolution that was placed before them by the honourable member for Sturgeon Creek (Mr. McAlpine).

Absolutely, the information that he was giving us was accurate. The numbers out there are accurate. I am surprised that they would not unanimously accept this resolution. I believe that certainly as the resolution indicates that, as a government, we have certainly tried to create an atmosphere within the province which is conducive for industry to flourish. Certainly, that has taken place.

The honourable member for Crescentwood (Mr. Sale) there was giving some of his stats as the way he sees them. I am not going to go into a long dissertation of trying to disprove his numbers, but I think it is fairly accurate in what was in the newspaper here. It says: Tim Sale's creative counting by Brian Cole. It most certainly indicates some of the numbers that he is using. He says here again: Mr. Sale reveals his talent for manipulating facts to serve a political end.

I think we have seen a lot of that in the last while. In the three years that I have been in this House I have seen a fair bit of that.

Mr. Deputy Speaker, I would like to, rather than look at this in such a negative way as what we have just heard, put on the record some of the things that are happening within the Pembina constituency. As my honourable colleague here indicated, people have to take ownership and responsibility for the things that they do. I want to congratulate the area, the people that I represent, for their taking ownership and responsibility for having done well and who continue to work hard in the businesses that they are involved in. Certainly they have created a climate where they can continue to grow.

It is interesting also, just several weeks ago, I had the opportunity to tour the Schneider's plant in Winnipeg together with the Minister of Agriculture (Mr. Enns), and they indicated very clearly at the end of our tour that they needed 50 more people just to fill the jobs. There are opportunities out there. There are many opportunities out there. The biggest obstacle that we are facing right now within southern Manitoba is the ability to be able to hire people to work. Really, the unemployment is zero out there, and it is not because people are moving out. It is because people are finding employment and are working.

Mr. Ben Sveinson, Acting Speaker, in the Chair

So, Mr. Acting Speaker, I cannot in any way agree with the numbers and the figures that the member for Crescentwood (Mr. Sale) has been putting on the record here this afternoon. The paper, Rural Manitoba Development—and, of course, this was highlighted at the Rural Forum in Brandon—indicated very clearly what my honourable colleague here from Sturgeon Creek was talking about, about things happening within the province, the fact that we have created a climate where business can grow.

I would like to highlight some of those businesses who have been taking advantage of this. First of all, there is a gentleman—I know him fairly well. His name is Ron Giesbrecht and represents Ronnie's Jumbo Seeds. He had this dream. He wanted to go into business on his own. He saw that there was a need out

there, and so he started packaging sunflower seeds—we call them spits—and he is doing very well. He is marketing these right across Canada; again, a dream that he had. He went ahead. He took a hold of that dream and is doing well. [interjection]

Another company that I would like to highlight is Elias Woodworking and Manufacturing Limited. Ralph Fehr and John Fehr, brothers, again had a dream. They had a dream of getting into the woodworking business, and so they are manufacturing cabinets, cabinetry, anything that is involved with woodworking. They started from a little one-room business in the garage and have grown to where they are employing numerous people at the present time. Again, they have been highlighted in the magazine here, and certainly they took a lot of risks, but with these risks they are also doing well.

So, Mr. Acting Speaker, I believe, again, that what the member for Crescentwood (Mr. Sale) was saying is not accurate, is certainly not indicative of what I see taking place within this province.

Winkler Meats, another company, has been growing, and they are exporting their products throughout Canada and into the United States. The last number of years, as well, they have been growing. They have specialized now in sausages, in patty-style sausages, that are being sold. You can throw them straight onto the barbecue, excellent food, and, certainly, again, I want to congratulate them for the work that they are doing.

Acrylon Plastics, they just did a large expansion this past year, another business doing well. John Borland, the president of the company, saw a need. Right today, they are manufacturing and doing moulds for about 1,200 to 1,500 slides that are used for playground equipment, and, again, they are exporting these across North America. There are many other products, of course, that they are producing out of their plant in Winkler.

* (1740)

Tina Friesen of Pembina Valley Job Finding club, two years ago she saw the need out there to—again, exactly opposite of what the member for Crescentwood

has been saying—be able to assist those employers who need employees, who are looking for people to work and to help them to develop their own businesses. She saw a need out there. She developed a business and, certainly, it is doing well. She is growing in numbers almost every week and finding a real need out there.

Lode-King Industries, another company that has done a major expansion this past year, they added 55,000 square feet to the existing building and are producing trailers, and we see them out on the highways on a continuous basis, but, again, another company that has been growing, and my discussion with them on Monday of this past week was that they are looking for employees. They are looking for people to fill the need. There is a shortage out there. So, you know, again, it is not consistent with what the member for Crescentwood has been telling me.

Decor Cabinets, a company in Morden doing a major expansion, they are exporting their cabinet material, again, right across North America. They have been able to do a fair bit of business within the U.S. and right now are opening up markets in Japan; again, a tremendous opportunity. This business was started by two brothers, and, again, they started it in the rural area. They were doing their manufacturing in a garage right next to the house, and today they are employing about 50 people. This has happened over the last few years. They took responsibility. They took ownership for the need that they saw was out there.

But, then, Mr. Acting Speaker, I would like to move also more into the agricultural industry. As we have heard numerous times in the House here, the expanding potato industry—it has been doing extremely well in the potato industry. There is tremendous expansion taking place within southern Manitoba, within the area that I represent. Again, it is seeing a need. It is seizing the opportunity and creating jobs. Again, the industry today is looking for people to assist them in the production of potatoes.

The bean industry, another good industry, there are a number of buyers in Morden, in Winkler, in the Pembina area, who are buying beans. Again, they are cleaning them, but they are adding value to them by packaging them and, again, selling them across, in fact,

almost every continent in the world. There is tremendous opportunity for these products out there.

I mentioned just, I guess, several weeks ago about a company which is known as Keystone Grain which did a large expansion this past summer. What they do is they take the hulls off of sunflower seeds and package the sunflowers and ship them across. Now, this is a little different from the company that I mentioned which is Ronnie's Jumbo. The jumbo seeds are sold as whole seeds, and, of course, those who buy them can then split them. What Keystone Grain does is they take the shells off the seed, and they sell them as a product that way so they can be consumed immediately.

Mr. Marcel Laurendeau, Deputy Speaker, in the Chair

So, Mr. Deputy Speaker, there are many things that are happening out there which I just really cannot agree with the member for Crescentwood (Mr. Sale) as to the comments that he made and that he put on the record.

Again, as the member for Sturgeon Creek (Mr. McAlpine) indicated, it is the objective of this government and has been—and certainly we have seen this take place. We want to create an environment out there that will support and that will enhance the businesses that will support them in their growth. We want to create that kind of an atmosphere for them.

It reminds me a little bit of the policy that the NDP had in the 1970s. The way I understand their policy to be, and I think it is still very much the same, and it takes this form. If it moves, regulate it; if it breathes, unionize it; if it makes a profit, tax it. Now, that is what I see taking place. We want to create an atmosphere that is going to be conducive for business to flourish, to do well and to be able to operate. [interjection]

The member for Thompson (Mr. Ashton) asks me if I am against unions. I think unions have their place. I do not have a problem with that. They have their place, certainly, but not to the extent that the member opposite would like to think that they should be.

So, Mr. Deputy Speaker, I think with those few comments on the record, I would just like to close by saying that I certainly do support the resolution that my

honourable colleague from Sturgeon Creek put on record. The fact is that we want to have a competitive business climate which will continue the goal of making Manitoba the best place to live, work, invest, and raise a family. I cannot support the amendment that was put in place by the member for Crescentwood (Mr. Sale), because I believe it is not consistent with what is actually taking place within the province of Manitoba.

Again, Mr. Deputy Speaker, thank you for the opportunity to put a few comments on the record.

Mr. Oscar Lathlin (The Pas): Mr. Deputy Speaker, let me at the outset say that I do not support the government resolution that was put forth by the member for Sturgeon Creek (Mr. McAlpine), but I wholeheartedly support the amendment that was proposed by my colleague from Crescentwood.

Let me tell you why. Because, as I have repeatedly stated in this Assembly for almost eight years that I have been here now, when policies, legislation, and programs and services are developed, enacted, and implemented by this government, I have always said that those policies, legislation, and programs and services should be developed keeping in mind that they should serve the best interests of all Manitobans, wherever they may be living in the province. It should not even matter how they voted in the elections. This is their government, and they have that God-given right to come to this government and ask for help from time to time.

But I wanted to focus my comments today on the discriminatory and unfair practices that this government employs when dealing with aboriginal people. Some of our people go so far as to say that a great majority of this legislation, laws, policies, and practices are racist. Of course, I am not allowed to describe any government activity in that light in this building, Mr. Deputy Speaker, but I do want to say that I am in agreement with those of my people who hold that view. Why? Well, I can probably explain why by asking some questions, questions that have been asked by myself and, certainly, by my people.

Let me start off by asking simply: why is it that this government refuses to include unemployment rate

numbers amongst our people in the overall unemployment rate for Manitoba? Why? Do our people not account for anything in the eyes of this government? The government knows full well that the unemployment rate for Manitoba, the way that this government produces the reports, is false. It is a big lie, because the unemployment rate in the North, remote aboriginal communities go as high as 90 percent, and the government knows that. The member for Sturgeon Creek (Mr. McAlpine) knows that fully well.

When the government reduced welfare rates by 21 percent, did it not realize that that rate of reduction actually meant a 33 percent and more reduction in welfare rates when applied in the remote northern environment?

* (1750)

Let me ask the government another question, Mr. Deputy Speaker, if it is aware of another fact. That is, according to a study that was conducted by MKO and others some three years ago, it was determined that in the comparison of food costs between Winnipeg and northern Manitoba, the cost of food was much higher in northern Manitoba than in Winnipeg.

For example, Split Lake—I think most government members will know where Split Lake is. In any event, the cost of food in Split Lake was 39 percent higher than Winnipeg. Gods River was 70 percent higher, and, you know what, Mr. Deputy Speaker, Lac Brochet was 88 percent higher than Winnipeg.

Now, imagine yourself, try to imagine for yourself, if you are on welfare where the unemployment rate is 90 percent and the only form of employment that is there is the band office, the school, maybe the RCMP, the Northern Store. Try to imagine. You are on welfare and it gets cut 20 percent in the south, but it really means that for you it means 33 percent. It must be hard to try to survive that way and try to be healthy at the same time.

We ask another question. Why is this government refusing to treat aboriginal people as citizens of Manitoba? Mr. Deputy Speaker, I would not be asking this question today if every time aboriginal people came to the government, to this building, to this Legislature

seeking help and looking for somebody to listen to them, they were not told that they were a federal responsibility and that this government had nothing to do with them. Why? Do you blame our people for feeling that they are being discriminated against?

For example, the REDI program, the program is much touted by the Minister of Rural Development (Mr. Derkach) from time to time, but when aboriginal people tried to make application to the REDI program, the minister responded by saying: because you are on Indian reserves, this program is not applicable.

Mr. Deputy Speaker, what do you call that practice when you discriminate against aboriginal people because it is applicable anywhere else in Manitoba except on Indian reserves? The only reason that the Minister of Rural Development can give me is because you are on an Indian reserve.

The fishing industry in the North has been virtually abandoned by this government. I would invite the Minister of Industry, Trade and Tourism (Mr. Downey) to accompany me to Grand Rapids, Easterville, Moose Lake, Pukatawagan, South Indian Lake, and see for himself first-hand what I am talking about. The fishing industry has been abandoned by this government. They have said do not worry about those people. They are aboriginal people. They belong to the federal government, and we have nothing to do with them.

I am not surprised that the fishing industry in the North has been ignored by this government, because the majority of those fishermen from up there are aboriginal people. This government followed the federal government in its elimination of the northern freight subsidy program. Hydro and forest plants have played a major role in the way that the fishing industry has deteriorated in the North.

But, you know, whenever we raise these issues in this Chamber, in Estimates, Question Period, we get the same answer as the member for Sturgeon Creek (Mr. McAlpine) just gave earlier, and that is, it is your fault. You are responsible. It is your fault for living in the North. It is your fault for being unemployed, and it is your fault for being on welfare. It is your fault that the rate of unemployment in Shamattawa is 90 percent.

What does he expect us to do, Mr. Deputy Speaker? Does he expect everybody in the North to all get up, pack up and move south to Winkler and Morris and Altona? Is that what he wants us to do?

We did not come from anywhere else to move to the North; we were born there. We are indigenous to that area. That is why I take exception when government members say—and the Minister of Northern Affairs (Mr. Newman) said the same thing in Estimates last year. When I asked him about infrastructure in remote northern communities, he said: well, we are not going to spend money in a remote area where there are only a few families. The Premier (Mr. Filmon), during the flood, said: well, it is your fault for living in a flood plain, you know; and now the member for Sturgeon Creek (Mr. McAlpine) says it is your fault that you are unemployed, you should take responsibility.

Well, Mr. Deputy Speaker, we know, we agree, we realize that each of us is responsible for our own destiny, but do you know what? I get really annoyed when I hear statements being uttered in the way that the member for Sturgeon Creek made those statements a while ago—take responsibility for your actions—because I am reminded of I have to go and vote before seven o'clock tonight on OCN's Treaty Land Entitlement Framework Agreement.

And do you know what, when the member for Sturgeon Creek says take responsibility, if we had all of

the resources that went away with the transfer of land to the federal and provincial governments whenever the treaties were made, I would be the one standing here today telling the member for Sturgeon Creek to take responsibility for his own destiny. Thank you.

Hon. James Downey (Minister of Industry, Trade and Tourism): Well, the opposition House leader wants to call it six o'clock. Shall I call six o'clock? Okay, six o'clock, Mr. Deputy Speaker.

Mr. Deputy Speaker: Is it the will of the House to call it six o'clock? [agreed]

When this matter is again before the House, the honourable minister will have 15 minutes remaining.

The hour now being six o'clock, this House is now adjourned and stands adjourned until tomorrow (Thursday) at 10 a.m.

Corrigendum

Vol. XLVIII No. 36B - 1:30 p.m., Thursday, April 23, 1998, page 2158, second column, third paragraph, fourth sentence, Ms. Friesen's comments should read:

Alberta is very, and justly, proud of that, and yet here we have a Manitoba Measures business plan which the minister is trying to tell me I should vote on and yet it is confidential.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 6, 1998

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