

# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 9 June, 1982

Time — 2:00 p.m.

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Hon. J. Walding:** Presenting Petitions . . . Reading and Receiving Petitions . . .

## PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**MR. SPEAKER:** The Honourable Member for River East.

**MR. P. EYLER:** Mr. Speaker, the Committee of Supply has considered a certain resolution, directs me to report progress and asks leave to sit again.

I move, seconded by the Honourable Member for Riel, that the report of the Committee be received.

**MOTION presented and carried.**

**MR. SPEAKER:** Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills . . .

## INTRODUCTION OF GUESTS

**MR. SPEAKER:** Before we reach Oral Question period, may I direct the attention of honourable members to the gallery where there are 60 students of Grade 5 standing from the Lincoln Elementary School, under the direction of Mrs. MacDonald and Mrs. Siemens. The school is in the constituency of the Honourable Member for Kirkfield Park.

There are 33 students of Grade 5 standing from the Harold Hatcher School, under the direction of Mr. Tordiffe and Mr. McKenzie. The school is in the constituency of the Honourable Minister of Energy and Mines.

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

## ORAL QUESTIONS

**MR. SPEAKER:** The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Speaker, my question is to the Minister of Economic Development and Tourism who is responsible for the Racing Commission. The Racing Commission has a responsibility to see that the betting is handled properly, to see that the funds that go to the horsemen and breeders are all handled properly; in other words, the protection of the public when they were at the track. Has the Minister expanded the Commissioners' job to operating Assiniboia Downs?

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**HON. M. SMITH:** Mr. Speaker, the answer to that is, no.

**MR. J. JOHNSTON:** Mr. Speaker, from a report in the paper today that says, track officials said that the Commissioner became upset when told blue jeans were not allowed and that Keenberg said, he may change the rules. Mr. Speaker, I wonder if the Minister is going to be speaking to Mr. Keenberg as to whether he has authority to decide how people dress at Assiniboia Downs?

**HON. M. SMITH:** Mr. Speaker, the issue of correct dress in the Turf Club is, as I understand it, the prerogative of the people who are running the Downs. I think that the comment made by the head of the Horse Racing Commission was, no doubt, made in haste at that particular moment.

However, I welcome the opportunity to comment to the House that, as you know, the situation at the Downs is a difficult one and the responsibility of the Commission is to see that both the public interest is served and that the Downs are operated in a fair and satisfactory manner. That type of research into the operation is going on. Some of the incidents being reported, I think, in the press are perhaps symptoms of the fact that people are concerned and may be fastening on some of the less important issues.

I have personally been speaking to the Commissioner about the question of the apparent firing of one employee of the Commission and the Commissioner has assured me that person is still on salary and is receiving a full hearing on the matter at hand. I am assured that I'll be getting a full report on the situation and will certainly endeavour to see that the employee in question has her rights fully respected and that she's treated fairly by the Commission.

**MR. F. JOHNSTON:** Mr. Speaker, I'm pleased that the Minister is going to speak to the Commissioner and I'm well aware of the problems at the track from the point of view that working with the track and the horsemen, etc. is a tight-rope walk at the best of times, but why does the Commissioner have to make the job that much tougher by insisting that he have a table reserved for him at the track every night and creating a situation where the track has to phone him twice a day to see if he's going to be there or not. One evening when he wasn't there by 7:30, which is the time they hold his table to, he created a scene at the track. Can the Minister please inform the House why the Commissioner is going out of his way to be concerned about these little things?

**HON. M. SMITH:** Mr. Speaker, as I said before, I think when there is a tense situation that often people tend to fasten on the relatively unimportant issues. The question of the table, I did inquire into and the practice was for a box to be reserved for the Commission in previous times. In other jurisdictions, there usually is a courtesy reservation made for Commission members. In fact, because the new Commission have been very active and in quite regular attendance at the Downs to familiarize themselves more thoroughly, it was recommended that there be two boxes or a box and a table reserved for their accommodation, the second

being the less expensive of the options. That is why the practice of having the table did develop.

The Commissioner, recognizing that it would perhaps be unfair to have that table reserved with no intention to use it, offered to make it available on any day when he wasn't choosing to use it. However, once in a while, there are occasions when he is not completely sure whether he will be attending or not because of the other load of business and it's in those situations where the misunderstanding seems to occur. But I am assured that they are working out the question of the table and the terms on which it is used and by whom.

**MR. F. JOHNSTON:** Mr. Speaker, I would ask the same Minister; in the Free Press report of April 22nd, the Commissioner reported on the condition of the track as being acceptable and assured that racing would be continued. It said, Our mandate is always to review the situation of the racing industry on an ongoing basis.

"For instance" - this is another paragraph - "Clarkson and Gordon audit will be completed at the end of the month" - they are the auditors for the Downs, each year that audit is presented. The Commission reviews that each year through its normal process. Keenberg said, the Commission was given pertinent information as to what to expect in the year-end audit. We do not have any concerns that racing will be other than normal. It's going to be normal from our point of view." On the 4th of June, it is announced that the audit was due at the end of April and the audit is not there as yet. Mr. Keenberg did not answer the Free Press and that's quite fine, he doesn't have to answer the Free Press, but Tom Laporte, a spokesman for Muriel Smith, Minister responsible for the Track, said yesterday, "We are studying the matter - the whole area of the Financial Statement and why Mr. Keenberg will not comment." I wonder if the Minister has had the opportunity to study the fact that the Financial Statement has not been in for review and why Mr. Keenberg hasn't commented.

**HON. M. SMITH:** Mr. Speaker, I have no wish to conceal important information, but there is sometimes a period of time when it's more prudent not to talk more than necessary. However, I can assure the House the reason we've been made privy to the information that is in the audit and there are problems, Mr. Speaker. The problems and the options available to all parties concerned are being studied intensely. As a matter of fact, today and tomorrow, the Commission is conducting hearings to include the main actors in the situation in order that they can make the most responsible recommendation and protect the interests of all concerned.

I repeat that our prime consideration in this situation is the protection of the public interest and the development of a viable and healthy horse racing industry here in the province. Those two criteria are the ones we keep to the fore and I assure the members opposite that we are availing ourselves of as much professional help and as much government help in analyzing the situation and preparing a recommendation for us.

**MR. F. JOHNSTON:** A final question, Mr. Speaker, and I would hope the Minister has examined the province's position and maybe should have a talk with the Attorney-General because of the statements that were made by the Commissioner that everything is all right at the track because he was given pertinent information ahead of time and the position of the province might be touchy if all is not well.

Mr. Speaker, I have just a final question. I would ask the Minister when the previous Commissioner resigned - I'm aware that the Minister asked him and asked me, I believe - no, not me, somebody else, but certainly the Commissioner - if it was a good idea or could somebody be the Commissioner of racing that did not have any experience in racing. She was informed at that time that it would be very dangerous to do such a thing, but the government saw fit to choose a person who was described in the Press by one writer as not knowing one end of the horse from the other.

I wonder if the Minister is now considering removing a Commissioner who is becoming a Little Caesar out at the track and replacing him with somebody that understands the racing in Manitoba?

**HON. M. SMITH:** Mr. Speaker, the member opposite I think well knows the history of the previous Commission and he's familiar with some of the endemic difficulties that exist in the racing industry and in the situation which we inherited.

Mr. Speaker, when we appointed a new Commission, we were interested in finding someone who had the abilities, the will and the commitment of time and energy to bring together the different parties in the industry in order that the best result for all concerned could be developed. Mr. Speaker, I've had great recognition of the ability and will of this new Commission to function in this way.

The statement that the Commissioner made about the viability of the track, I think if you read not the title of the article, for which we're not responsible, but the fine print in the article, you will see the Commissioner said that the track is in an operating condition and that is true. We have secured all the varying interests in the day-to-day operations, but the opinion about the underlying financial state of the track would have to be delayed until we had the audited report.

Now, I did refer earlier to the fact that there had been some problems with the audit, but we have been in direct communication with the auditors, the Provincial Auditor and the Attorney-General and, as I say, I think we've taken every move we can to secure the current position as well as we can while we're collecting the necessary information to give us the basis for a more secure and long-term recommendation.

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

**MR. G. MERCIER:** Thank you, Mr. Speaker. My question is to the Minister of Economic Development and Tourism, Mr. Speaker, in view of the report that one Helen Penner has been fired by the Chairman of the Horse Racing Commission, would she inform this House whether or not she would instruct the Chairman of the Commission to rehire Mrs. Penner?

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**HON. M. SMITH:** Mr. Speaker, I think I answered that question initially this afternoon. I said that the employee named is still receiving pay; she is having a hearing this afternoon with the Chair and Vice-Chair of the Commission and the lawyer. The mutual concern is being looked at and I have instructed and had the assurance of the Commissioner that the employee's rights will be protected and given every consideration. Mr. Speaker, if there has been an inappropriate action or if there has been an inaccurate reporting, that will become clear in good time and I assure this House that I will ensure that the Commission take the appropriate and fair action.

**MR. G. MERCIER:** Mr. Speaker, in view of the fact that it would appear Helen Penner was fired at the whim of the Chairman of the Horse Racing Commission; that she has worked with the Commission for four years; that she's worked with the track for nine previous years; that she's well liked by everyone at the track and that she apparently has been fired simply for talking to one of the owners, does the Minister support the Chairman's actions or will she not simply immediately instruct the Horse Racing Commission to rehire her.

**HON. M. SMITH:** Mr. Speaker, I repeat, the employee in question is not technically fired. She is still receiving her pay and will continue to do so. Mr. Speaker, there has been a general concern about confidentiality and the clarification of this issue is going to take time. There are sensitive issues, there are important communications that are going on at the present time. Mr. Speaker, I'm sure the members opposite would feel we were being remiss if we didn't look at an issue where confidentiality was in question, but I assure the members opposite that the employee will get full and fair hearing and if, in fact, it is found that the Commission has acted inappropriately or precipitately, we will take an appropriate compensatory action. I ask the members opposite in the meantime not to believe that a press report is necessarily a full and accurate interpretation of what actually occurred.

**MR. G. MERCIER:** Mr. Speaker, I have a final supplementary question for the First Minister. In view of his expressed concerns in the past with respect to freedom of information, the Charter of Rights, freedom of speech, would he instruct the Minister of Economic Development to immediately tell the Chairman of the Commission to stop acting on a whim and to rehire Mrs. Penner?

**MR. SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Mr. Speaker, there is no doubt in my mind that the Chairman and/or the Commissioner ought not to be engaged insofar as the firing of any employee. The Minister has indicated she is obtaining a report in respect to that and the Minister will be interested in examining that report. So will I.

**MR. SPEAKER:** The Honourable Member for Tuxedo.

**MR. G. FILMON:** Thank you, Mr. Speaker. My question is to the Minister of Economic Development and Tourism. I wonder if the Minister could indicate, with respect to one Ronald Keenberg who has been referred to earlier in the question period, when was Mr. Keenberg appointed as Chairman of the Horse Racing Commission and by whom?

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**HON. M. SMITH:** Mr. Speaker, the precise date eludes me, but I think the new Commission has been in position as appointees of the Cabinet or the Lieutenant-Governor-in-Council for approximately a month-and-half.

**MR. G. FILMON:** I wonder, Mr. Speaker, as well, if the Minister could indicate with respect to this Chairman who her government has appointed, who it appears has had no previous background in the horseracing industry, can she confirm that his major qualification for the position was as a former fund raiser for the New Democratic Party?

**HON. M. SMITH:** Mr. Speaker, the qualifications of people who are appointed as Commissioners are various. The qualifications that we were looking for, Mr. Speaker, in this appointment was a person who was interested and willing; who knew something about business procedure; who knew something about how to get together the conflicting groups in the industry and enable them to work out together what the most satisfactory and healthy arrangements for the industry would be. In this, he has been singularly successful.

We also, Mr. Speaker, wanted a person who could stand back a little from all the separate interest groups in the industry and give us a good analytical picture of what the needs of the industry were and what the rights and responsibilities of government acting in the public interest. We're also interested, Mr. Speaker, in preserving this industry as a healthy and viable part of the tourist industry of Manitoba. We were satisfied, Mr. Speaker, and continue to be satisfied that the Commissioner, indeed the lawyer who is the Vice-Chair, and the other three members are performing admirably in their role as Commissioners.

**MR. G. FILMON:** I appreciate the answer that the Minister has given, Mr. Speaker, but was he or was he not a fund raiser for the New Democratic Party? — (Interjection)— Well, I guess that answers the question, Mr. Speaker.

So I'll ask then, Mr. Speaker, I wonder if the Minister could tell us who pays for the charges that are incurred at this special reserved table at the plush Turf Club that's reserved for the Chairman every day?

**HON. M. SMITH:** Mr. Speaker, earlier on in the question period, I said that the usual practice is for a box to be reserved but, because of the numbers of people, there was not room in the box and the option of reserving two boxes at an approximate cost of \$1,500 each per season was weighed against the cost of having the reserved table. The second arrangement was deemed to be the less expensive.

This, Mr. Speaker, is a practice in racetracks across the country to ensure that the Commissioners when they're in attendance do have a place to locate themselves and from which they can circulate around and become knowledgeable and well-known people who are involved in the industry. That, Mr. Speaker, is one of the key ways that they inform themselves about the different needs and aspirations and concerns of people active in the industry.

**MR. SPEAKER:** The Honourable Minister of Education.

**HON. M. HEMPHILL:** Mr. Speaker, I indicated yesterday that I would keep the House informed related to the issue raised by the Honourable Member for Gladstone where the Hazel M. Kellington School was evacuated due to the presence of gas fumes that was posing a health hazard to students and staff.

It has now been determined that carbon monoxide gas had backed up and was drawn through the air-circulation system and spread throughout the school. The combination of a cold chimney and a partially blocked fresh air intake duct caused the problem. - I have a problem, excuse me. Excuse me, Mr. Speaker, I think I have my breath now. - Boilers, a method of heating water or steam to heat a building, come under the purview of the Department of Labour and receive regular inspections in addition to attention from divisional maintenance people. Domestic style forced air furnaces - more or less the type we have in our homes - are the responsibility of the board's maintenance staff. I am advised that when a cold spell follows a warm one and the furnace is re-activated it is possible to get that kind of a reaction. It's similar to trying to light a fireplace when the chimney is filled with cold air.

This is the second type of incident which we have had recently and which has come to our attention and we are all concerned about the safety of children in the school. I want to inform the House that I have instructed and sent a letter immediately to all school divisions, giving them all of the information that we have at our disposal about these two situations and have suggested that inspections be held to make sure that there are no problems or no potential hazards on school sites. I have additionally asked my department to review all our regulations to make sure that we have adequate safety measures in place for inspection of schools.

**MR. SPEAKER:** The Honourable Member for Tuxedo.

**MR. G. FILMON:** Thank you, Mr. Speaker. Getting back to the Minister of Economic Development and Tourism, she gave us a very interesting rationale behind why there is a table reserved nightly at the track for the Chairman of the Racing Commission, but my question is, who pays the charges that are incurred at that table by the Racing Commissioners and the Chairman, because obviously, Mr. Speaker, if that is being paid by the Racing Commission then it is the taxpayers of Manitoba and they have a right to know. If that's being paid by the track, then I think we have another problem with respect to the Racing Commission and its impartiality.

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**HON. M. SMITH:** Mr. Speaker, I'll take that under notice.

**MR. G. FILMON:** As well, when the Minister is looking into the matter, Mr. Speaker, I wonder if she could inform the House if she, too, has a table reserved at the track for her use.

**HON. M. SMITH:** No, Mr. Speaker.

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. V. SCHROEDER:** Thank you, Mr. Speaker. I had a question asked recently by the Member for Kirkfield Park. She requested information as to whether the province had as yet implemented employee deductions relative to our dental plan as proposed in the last Federal Budget. I have consulted with the carrier for the Provincial Dental Plan, Manitoba Blue Cross, and also with the actuarial consultant, Reed Stenhouse.

The Blue Cross advises that of their five trustee plans similar to those in Manitoba, one has implemented those deductions; the other four have not. Reed Stenhouse advises that the Federal Government has not as yet published an interpretive bulletin on the taxability of dental plans and they are advising us to maintain our present position of not making income tax deductions.

### INTRODUCTION OF GUESTS

**MR. SPEAKER:** Order, please. Perhaps this would be a convenient time to direct the attention of honourable members to the gallery where I've been informed that there are 26 students of Grade 8 standing from the Eastwood School under the direction of Tim Grew, Mary Nabess, Kathy Bell and Steve Kiroual. The students are in the Constituency of the Honourable Member for Thompson.

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

### ORAL QUESTIONS Cont'd.

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker. I direct my question to the Minister in charge of Lotteries and would ask him whether Cabinet has approved the new computerized lottery game 649?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Mr. Speaker, as I said the other day, this was approved during the time before there was a change of government. It is my understanding that the information was given by the then Chairman of the Commission and we've kept on with that; there hasn't been any change.

**MR. R. BANMAN:** Mr. Speaker, I'd urge the Minister

to check his records because I think he'll find that before the election the approval was not given for this particular game.

I would like to ask him, with regard to this particular game, has this government informed the Interprovincial Lotteries Commission that the province will be entering into this game?

I wonder if the Minister could tell us who will be running the game and who will be owning the computers?

**HON. L. DESJARDINS:** Mr. Speaker, that information will be given later on when we have the whole policy on lotteries.

**MR. R. BANMAN:** Thank you, Mr. Speaker. The current Lottery Act allows for special audits to be done on promoters and sellers and people involved generally in the gaming areas within the province. Is the Minister aware of any audits that have been done on any people who are involved in the promotion and selling of lottery tickets in the province?

**HON. L. DESJARDINS:** Mr. Speaker, I choose not to answer these questions at this time. There is a second reading before the members of this House; there will be discussion at that time, and besides that, there is an inquiry by a commissioner, by Judge Jewers, and I —(Interjection)— If you people know the answer, that's fine, I'll sit down and you give the answer. If not, wait until I give the answer to what I was asked. Mr. Speaker, it certainly is —(Interjection)— All right, I'll sit down.

**MR. SPEAKER:** The Honourable Member for Thompson.

**MR. S. ASHTON:** Mr. Speaker, I have a question for the Minister of Fitness and Amateur Sport. The Manitoba Amateur Hockey Association recently decided to demote the Northern Junior Hockey League from Junior A status to Junior B status. This move threatens Junior Hockey in Thompson in terms of access for young hockey players to Junior A hockey in their own hometown. It also threatens the financial health of Junior Hockey in Thompson and I must say, Mr. Speaker, it's been seen as a slap in the face for the North. I'd like to ask the Minister whether he could contact the MAHA, which is funded by the Provincial Government to the tune of \$44,000 a year, to speak to them to see if this decision can't be reversed.

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Mr. Speaker, I must admit this is a rather unusual question but it is a concern that the member has. I can say that there won't be any interference from government in the affairs of the MAHA, but I'll certainly try to get the information as requested.

Mr. Speaker, while I'm on my feet I'd like to answer a question that I took as notice yesterday, a question of the Honourable Member for Fort Garry, who asked whether there is a Medical Officer of Health in the Eastman region or whether the department relied on part-time participation.

I can inform him that Doctor Ralph Robertson is employed full-time by the Department of Health and is the Medical Officer of Health for Eastman region. He is stationed in Beausejour.

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker. A question to the Minister in charge of Lotteries. In light of the Commission of Inquiry which is being conducted into different aspects of lotteries and gaming by Judge Jewers and in light of his comments that this report might not be in until fall sometime, I wonder if the Minister would consider holding over the Lotteries Bill that was introduced until the report is tabled in the Legislature so that we can deal with it in a more open manner. I appreciate the problems that the Minister has with regard to answering certain questions at this time, but I think in light of the circumstances and in light of the problems that could be created by us passing a bill in the Legislature and almost hearing the same committee reports in the committee outside the House from the people who are now making a representation to Judge Jewers, I wonder if he would give considerations to possibly holding the bill over to a possible fall Session?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Mr. Speaker, that was taken into consideration and if the member had been listening, maybe he was, but yesterday I made it quite clear on second reading that this would become law only when proclaimed, and the proclamation will not take place until after we have the report and have sat on policy, No. 1.

No. 2, it certainly was the intention to bring in legislation before deciding on a Commission of Inquiry. There are certain things that have to be done and there's no way that we're going to wait for another year on this. The legislation will go through and then I could say, thirdly, that the legislation is —(Interjection)— no, it's not a question of bulldozing. I'm saying that as far as the government is concerned, there's some things we want passed at this time —(Interjection)— You call it what you want.

Mr. Speaker, another point also is that if you read the act carefully, nothing has to be changed. Let's say that we want to operate exactly the way we want now. The only thing that would be changed —(Interjection)— well, there's so many experts on the other side, I don't know why we have this question period. Maybe we should have an answer period from the members of the Opposition.

Mr. Speaker, the situation that has permissive legislation and the things that will be in place when and if we need to change any policies, I can assure you there'll be some change in policy.

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

**MR. W. MCKENZIE:** Thank you, Mr. Speaker. I've got a question for the Honourable Minister of Municipal Affairs.

Mr. Speaker, I've been reading in the Speech from the Throne that the communities of Brandon and Selkirk and other communities in Manitoba, about celebrating their Centennials this year. I understand the Queen or Princess Anne is going to be in Selkirk and Brandon.

I wonder, Mr. Speaker, if the Honourable Minister, in terms of human rights and equal rights for all people, if he can stand up and give me a reason today why the pioneers and the children at Shellmouth shouldn't get the same treatment as Brandon and Selkirk and be allowed to have their Centennial with a grant structure.

**MR. SPEAKER:** The Honourable Minister of Municipal Affairs.

**HON. A. ADAM:** Mr. Speaker, I'm sure if the Member for Roblin-Russell yesterday offered to pick up the centennial grant for the small community of Shellmouth, perhaps if he were willing to pick up the expense to have the Princess or the Queen come out there, probably she may consider coming out. That's something that he would have to, I'm sure, take up with the people involved, whoever looks after the tour of the Royal Family, but getting back to the question that he raised yesterday, Mr. Speaker, on the centennial grant for the small community of Shellmouth, it is possible for a community to celebrate their Centennial at the time of settlement rather than the time of incorporation.

However, in the case of Shellmouth, it would have to be done through the rural municipality which is incorporated. They could, if they so desired, approach the municipality of Shellmouth and if they could get an agreement from the municipality that the municipality would be agreeable to celebrating their Centennial this year rather than 2007, I'm sure it would be acceptable. We would provide the grants to the municipality. We would not provide the centennial grants to an unincorporated community because we have in the past - not only this administration but the previous administrations - rejected applications from unincorporated villages and we would be setting a precedent now and we'd have to go back. It would be unfair and unjust to all those communities that we have rejected in the past, Mr. Speaker. Now, if the people involved, the community of Shellmouth, can convince their municipality to celebrate the Centennial this year, there is no problem. We will consider that grant.

**MR. W. MCKENZIE:** Mr. Speaker, I thank the Honourable Minister for his long narration to a simple little question. Mr. Speaker, may I point out to the First Minister and the Minister of Municipal Affairs, there are hundreds of little communities in this province that deserve the same treatment as Brandon and Selkirk.

I'd like to ask the Minister, which statute in this province prohibits the Village of Shellmouth from qualifying for a centennial grant when it's right in the Speech from the Throne that Brandon and Selkirk do, with Princess Anne coming there? Give me the reason.

**MR. SPEAKER:** The Honourable Member for Virden.

**MR. H. GRAHAM:** Thank you, Mr. Speaker. My ques-

tion is to the Honourable Minister of Agriculture. I would like to ask the Honourable Minister of Agriculture if he has yet set the prescribed price for the last quarter of the Beef Income Stabilization Plan from last year?

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Mr. Speaker, I'll take that question as notice.

**MR. H. GRAHAM:** Mr. Speaker, there is a large concern in rural Manitoba that if the Minister of Agriculture is unable to set a prescribed price for the cost of production for last year, it would be almost impossible to get any cost of production set for the coming year and this whole beef income program would be absolutely meaningless. So would the Minister consider the degree of urgency and announce to the House as quickly as possible what the prescribed price is for the last quarter of last year?

**HON. B. URUSKI:** Mr. Speaker, I took that question as notice, but I should advise the honourable member that the scope of the insurance program is now being discussed and being formulated on the basis of questions and suggestions made from the producer groups and whether or not how the insurance program will be tabulated is yet to be finalized in terms of their recommendations to myself.

**MR. H. GRAHAM:** A final supplementary then, Mr. Speaker. Could the Minister tell us what the cost of production is for beef?

**HON. B. URUSKI:** Mr. Speaker, one could probably go through several farming operations and ascertain all kinds of versions as to what should be imputed into costs of production. When you start trying to establish a formula, one can impute all kinds of costs in it and it is very difficult. One can probably determine what the cash costs are based on certain assumptions one would have at that point in time, but there are wide ranges of opinion as to what should be imputed into a cost of production formula.

**MR. H. GRAHAM:** A final supplementary question. Will the Minister not agree that a program was already in effect where money has been paid from time to time to beef producers based on a cost of production formula which was already in place?

**HON. B. URUSKI:** Mr. Speaker, the member speaks of the initial buy-up program that was brought into being by the former administration that was tampered with, including the cost of production figures by his colleagues. That whole area is being reviewed in terms of the finality of that program.

**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. L. SHERMAN:** Thank you, Mr. Speaker. My question is to the Honourable Attorney-General and I would ask him, Sir, whether he has received any com-

plaints in the form of direct communications from travel agents or travel agencies in Manitoba and, indeed, in Northwestern Ontario complaining about the position that they've been put in with respect to tour wholesalers who have received funds for travel packages and then closed their doors and walked away. There is no protection under Manitoba Legislation for persons caught in that kind of a circumstance. Has the Attorney-General received any formal communications or complaints on this subject?

**MR. SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** Mr. Speaker, yes, I have received a letter from a travel agent in Northwestern Ontario. I can't remember whether it was Thunder Bay or Kenora, Dryden, somewhere in there, and I replied to that travel agent advising him of the fact that there had been a statement made in the House by the Minister of Consumer and Corporate Affairs to the effect that we were seriously considering remedial legislation in this province to bring us in line with such provinces as Ontario. I can say to the House that this matter is under active consideration. We want to make sure in drafting any legislation that we have an opportunity to consult with the travel industry here, but just as soon as we can bring in that legislation, we will.

**MR. SPEAKER:** Order please. The time for question period having expired.

## ORDERS OF THE DAY

### ORDER FOR RETURN NO. 10

**MR. G. FILMON:** Thank you, Mr. Speaker. I move seconded by the Honourable Member for Virden that an Order of the House do now issue for the Return of the environmental impact statement and the socio-economic impact statement prepared for the Government of Manitoba on behalf of or by the Aluminum Company of Canada (Alcan) with respect to the proposed aluminum smelter which is planned to be located at or near Balmoral, Manitoba.

**MOTION presented and carried.**

### ADJOURNED DEBATE ON SECOND READING - PUBLIC BILLS

#### BILL NO. 29 - THE CIVIL SERVICE SUPERANNUATION ACT

**MR. SPEAKER:** The Honourable Government House Leader.

**HON. R. PENNER:** Mr. Speaker, would you call the adjourned debate on Bill No. 29?

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Labour, Bill No. 29, standing in the name of the Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, I have reviewed the bill and the comments of the Honourable Minister of Labour and we are prepared to proceed to committee

with this bill.

**QUESTION put, MOTION carried.**

#### BILL 38 - VACATIONS WITH PAY ACT

**MR. SPEAKER:** The Honourable Government House Leader.

**HON. R. PENNER:** Mr. Speaker, would you call the adjourned debate on Bill No. 38, please?

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Labour, Bill No. 38, standing in the name of the Honourable Member for St. Norbert.

**MR. G. MERCIER:** Again, Mr. Speaker, we have had an opportunity to review the Minister's comments and the bill itself and again with respect to this bill, we are prepared to allow this bill to proceed to committee.

**QUESTION put, MOTION carried.**

**MR. SPEAKER:** The Honourable Government House Leader.

**HON. R. PENNER:** Thank you, Mr. Speaker. Would you please call the adjourned debate on Bill No. 39?

#### BILL NO. 39 - DEPARTMENT OF LABOUR ACT

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Labour, Bill No. 39, standing in the name of the Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, again with respect to this bill, we've examined it and the Minister's comments and are prepared to allow it to proceed to committee.

**QUESTION put, MOTION carried.**

#### BILL 41 - EMPLOYMENT STANDARDS ACT

**MR. SPEAKER:** The Honourable Government House Leader.

**HON. R. PENNER:** Mr. Speaker, would you please call the adjourned debate on Bill No. 41?

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Labour, Bill No. 41, standing in the name of the Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, again with respect to this bill, we've had an opportunity to examine it and the Minister's comments and are prepared to allow it to proceed to committee.

**QUESTION put, MOTION carried.**

#### BILL 47 - THE FISHERIES ACT

**HON. R. PENNER:** Yes, Mr. Speaker, would you please call the adjourned debate on Bill No. 47.

**MR. SPEAKER:** On the proposed motion of the Hon-

ourable Minister of Natural Resources, Bill No. 47, standing in the name of the Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker, we have had a chance to to peruse the bill and will pass it on to committee at this point.

**QUESTION put, MOTION carried.**

### **BILL 26 - THE HUMAN RIGHTS ACT**

**HON. R. PENNER:** Mr. Speaker, would you please call the adjourned debate on Bill No. 26?

**MR. SPEAKER:** On the proposed motion of the Honourable Attorney-General, Bill No. 26, standing in the name of the Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, with respect to Bill No. 26, there are provisions in this bill repealing The White Cane Act and incorporating them into The Human Rights Act. I can indicate to the Attorney-General, as he is well aware, that we had this matter under consideration for some time when we were in government and I may have some questions for the Minister with respect to some of the definition sections in this bill.

In addition, there are other changes in the wording, in specific sections, from previous provisions of the existing Human Rights Act which we would like to examine or ask the Minister some questions on. I think, Mr. Speaker, the questions that we will have on this bill can be best handled in Law Amendments Committee or whichever committee the government intends to refer this matter to. We are prepared to allow it to go to committee at this time.

**QUESTION put, MOTION carried.**

### **BILL 37 - THE MANITOBA HEALTH RESEARCH COUNCIL ACT**

**HON. R. PENNER:** Mr. Speaker, would you please call the adjourned debate on Bill No. 37.

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Health, Bill No. 37, standing in the name of the Honourable Member for Fort Garry.

**MR. L. SHERMAN:** Mr. Speaker, we're supportive of Bill No. 37, a bill that will incorporate the Manitoba Health Research Council. It is a measure that certainly follows logically upon the establishment of the Health Research Council itself which was undertaken by the previous government, as you will recall. It was our intention, in fact, to move as reasonably quickly as possible and as practically as possible to incorporate the Council itself. So it's a step that is being taken which certainly meets with our approval and support.

I must say that there are one or two aspects to one or two of the clauses in the bill about which we would have some questions, Sir, but at this point in time, dealing with the principle of the bill, we agree with it and approve of it and will look forward to examining it at committee stage further.

**QUESTION put, MOTION carried.**

### **BILL NO. 36 - THE HIGHWAY TRAFFIC ACT**

**MR. SPEAKER:** The Honourable Government House Leader.

**HON. R. PENNER:** Mr. Speaker, would you please call the adjourned debate on Bill No. 36?

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Government Services, Bill No. 36, standing in the name of the Honourable Member for Pembina.

**MR. D. ORCHARD:** Thank you, Mr. Speaker. I want make a few comments on The Highway Traffic Act Amendment Bill introduced by the Minister of Highways. A number of the amendments that appear in the bill are of a housekeeping nature and stem from further amendments that have come up from some of the changes that were made in the trucking industry, for instance, as a result of a number of years of negotiations and culmination of a CAVR, the Vehicle Reciprocity Agreement. There are some concerns that I do have with some of the intentions in the legislation and I'd like to share those on Second Reading with the Minister.

There is one intention of the legislation to remove a period of time in which a person required to produce medical evidence of his ability to operate a motor vehicle has been removed and in its place has been established the time limit to be established at the discretion of the Registrar. That may well be a needed amendment although it hadn't been drawn to my attention whilst I had responsibility for the department. The concern that I have and I think many will have, is that this tends to leave a lot of discretion to the Registrar in determining how much time he would allow one individual versus another individual to come up with proof of his medical ability to operate a vehicle. That has some ominous forebodings because it, once again, removes a prescribed and known limit of time with one of discretion from the bureaucracy. I think, if there has been one complaint that is universally coming to light all across Canada, it is that too many things are being decided behind the scenes in Canadian public life by people who are not elected, who do not have to face the public every several years.

If this amendment and this time change, this requirement to produce medical evidence of a person's ability to drive, is tempered on the advice of the newly established Medical Advisory Committee, which is impartial and reviews each driver's licence being refused because of a medical problem, if those time limits are to be set on the recommendation of that independent committee, I would feel a lot more comfortable with the type of amendment that the Minister is proposing. We will await committee to determine how the process of notification in deciding of the time span is to be arrived at.

Another area which I support and, as a matter of fact, was an amendment stemming out of the annual ministerial meeting that I had the opportunity to Chair in Winnipeg and that being the placing of a cross-Canada headlight requirement, in terms of time. Most



acts across Canada read, 'at sunset and at sunrise.' The hours between those two events, one had to use their headlights and in this amendment, we are asking that headlights be used a half an hour after sunrise and half an hour before sunset. There was very, very excellent statistical information on accident prevention that justified that kind of an amendment and I support that kind of amendment.

There is only one caution that I would add. It is one of those laws that could become very annoying to the driving public if, in the enforcement of them, one was issued a ticket immediately for the first time that he was out five minutes after sunrise and did not have his headlights on and received the ticket. I don't think anybody in the motoring public would have any difficulty in supporting the intent of this amendment; it's the enforcement that will have to be proceeded with very delicately. I would recommend to the Minister that if and when this amendment is passed, the government undertake a substantial advertising program to make motorists aware, number one, of the new legislative requirement and, number two, the benefits to them in terms of a safety feature that this amendment represents. I would hope that we don't have a wholesale enforcement and ticketing of drivers in offence of this new law.

The Minister indicates that there is a surprising lack of any regulations which govern the safety requirements, the operational standards, of air brakes on larger trucks and commercial vehicles. That is so and in the legislation proposed is Enabling Legislation to allow his department to draft regulations to set standards of operation and standards for air brakes. I would only hope that the Minister instructs the department to draft those amendments in full consultation with the truck manufacturing industry and the truck servicing industry, so that we don't end up with regulations that are just impossible to live with in the industry. I think the goal of safety is lauded. Once again, just the caution that those regulations be drafted with due regard to the expertise that's out there in the industry to provide the kind of advice on regulations that would be needed.

One of the interesting amendments in this Bill No. 36 is the new requirement of licences or permits in order to hold parades on provincial roads. That can have some significant impact on most of rural Manitoba, because it's rare in a community that nowadays when celebrating their fairs or their various events they don't have a major parade. The parades are getting large and are enjoying a great deal of community support and all of the communities in rural Manitoba without exception, who have a major two or three day fair or event to celebrate their summers, generally have several floats within the town that go to the parades of the neighbouring communities and all throughout Manitoba to advertise their home event or fair.

For instance, in the community of Morden with the Corn and Apple Festival, they have several floats which tour Morris. They have been into Winnipeg; they've been to a number of communities in rural Manitoba and in Winnipeg to advertise the Corn and Apple Festival. That also happens with Miami, for instance, with our Mule Derby. Our Mule Derby Committee takes their stagecoach to a number of

parades. So these parades have become an excellent means of demonstrating community pride and advertising each community's own highlight, fair or community event that they sponsor every summer.

Now, from time to time, there was some concern expressed to my office when I was Minister of closing off a road for the duration of the parade, maybe a couple of hours, but it was never a major problem. I would hope that this amendment does not in any way inhibit the ability of communities to have a parade as part of the celebration of their fair or their community event. If this in any way is going to be restrictive to communities wanting to demonstrate to the visitors to their community the pride they have in their event, their area, their town, then I think it's a bad amendment.

Now, the traffic authorities in every town, for instance in Morden, the Morden Town Police without question always fenced off portions of streets that were being used and the parade took place without any problem. Some of those parades in Morden were 125 to 130 floats long and were well over a mile long and they went without incident, without problem, without hitch.

The attention that's drawn to these parades by this amendment I don't think is warranted because they have been a very common event, very well-run and have caused to my knowledge no problem. I would hope that the Minister, in making this amendment, has the full co-operation of the RCM Police and I hope that he does not instruct them to be very severe, very tough in their granting of permits so that these parades cannot be held. I think that would be a very, very bad move on his part if those kinds of instructions accompanied this amendment which he no doubt will assure passes this Legislature and becomes law for this summer.

Now, there is a rather unique amendment in this bill which deals with the wearing of headphones and the provision will prevent the wearing of these headphones whilst operating a motor vehicle. The Minister of Agriculture has been listening to the cow's bell ring because he can't hear. Now, the rationale, if I understand from the Minister when he introduced this bill for bringing in this amendment, is that wearing of these headphones by the drivers of cars and motorcycles is a danger, making that driver a potential hazard and danger, not only to himself but to other vehicles on the street.

Well, you know, there would be those that would agree with him and would say that this is a worthwhile amendment, but there are those who think a little further about the implications of this amendment, the ability of the police to enforce it. Technology will change so that you're not going to see an apparatus holding headphones in one's ears. They are rather going to be two simple wires that come up and plug into your ears. This legislation is going to be an enforcement nightmare for the police forces across this province.

You know, when you start taking a look at what it's trying to accomplish, if the intent of the legislation is to prevent accidents being caused by the impaired hearing ability of people driving whilst wearing these headphones, then the legislation falls far short of accomplishing that. You can drive down any major street in Winnipeg or any community practically nowadays, in the summer months and you will come across vehicles with the windows rolled down and

they have installed in their car a custom four-speaker stereo with a tape plugged in or the FM radio on. The noise emanating from that can be heard several cars over. The decibel level of noise from that vehicle, emanating so that it's heard for several hundred feet, will surely impair that driver's ability to hear outside sounds as much or more than some of the currently designed headphone sets I believe that are available on the market today. There is a pretty good case made for - I think they call them clear-air headphones now, I think that's the name of them - where they are designed so that you can hear the music, but as well at reasonable levels you can hear conversation of the passenger beside you in the car and indeed outside noises, such as sirens.

So that if the intent is to prevent accidents because of impairment of hearing by a sound system, then the legislation falls short in that it doesn't give the police the ability to take a decibel meter and come skulking up beside a car at a stop light and take a quick reading of the sound coming out of the windows rolled down of a four-speaker stereo set up and immediately issue that driver with a ticket. The effect on hearing is the same. The only case is that the legislation only applies to one instance where, quite frankly, the person who is wearing the headphones isn't impinging upon the hearing freedom of those around them because only he is hearing the noise or the music when the headphones are on, whereas the four-speaker setup, everyone enjoys it or doesn't enjoy it, depending on their musical tastes.

Indeed, if impairment of hearing is the problem, I think anybody, particularly some of the members of the Treasury Bench who have some of the government cars because I had one and my government car was much quieter than the one I own myself - in that car, with the windows rolled up and, for instance, in the summer if you had the air conditioning running and the radio on listening to the news, your hearing was quite impaired from outside noises. Cars nowadays are built very well and exclude a lot of outside noises. I think anybody can remember the advertisements that the Ford LTD's used to put out that they were quieter than a Rolls Royce. That was five, seven years ago and all cars have gotten better.

So, once again, if the intent of this legislation is to prevent drivers' hearing from being impaired because of headphones, then maybe the legislation should go in and take us back to 1929 or 1932 Model A Fords where you could hear everything going on outside because there was no sound insulation in the cars. In some of the newer cars you cannot hear outside noises and I know that from experience because the odd time I would have an ambulance come up behind me and I would only notice it in the rear view mirror with the flashing lights, rather than the sound of the siren. I can assure you, I didn't have my radio turned up beyond normal proportions. I was a middle-aged, quiet listener in those cases, but the car itself was designed to exclude outside noises.

So this amendment to The Highway Traffic Act, regardless of how well-intentioned the Minister of Highways may be in his desire to bring it in, is, I believe, an unenforceable law, one that is going to cause a lot of problems and isn't going to get to the root of the problem that he is identifying.

I sometimes wonder, now that the Minister of Highways and Transportation is no longer Minister of Agriculture, he finds himself out of the limelight as he was for eight years in the Schreyer administration and now through this amendment is attempting to get himself back into the limelight and share some of the limelight with the current Minister of Agriculture, some of the public opinion and controversy that's going on.

Another section of this bill may or may not cause some problems and this is what we hope to get further clarification from the Minister when it goes to committee and that is the change in legislative requirement on the registration of commercial trucks, commercial vehicles in the province. Now, I know of the background that the Minister is addressing this amendment. There have been concerns expressed about the use of commercial trucks in competition with the PSV carriers, but this amendment is going to require anybody - I'm still not in metric, but it's roughly anybody - with a GVW truck above, I think, 25,000 pounds is going to have to now go before the Motor Transport Board to obtain a commercial truck licensing authority and then go to the Registrar and get his plates. Anyone desiring to register a CT vehicle above that particular weight cannot go to the Registrar and get a licence automatically.

So we've got a number of problems developing: - first, the time problem. That person wishing a CT licence is now going to have to take extra time going before the Motor Transport Board. My question will be to the Minister, is this new authorizing process for commercial trucks going to require additional staff time on the Motor Transport Board? Because I know that they were bogged with applications under the PSV licensing requirements and interprovincial hearings, etc. So are we, through this amendment, now requiring the Minister to come back to the Treasury Board and add to the staff of the Motor Transport Board? Will this application for commercial trucking authority be as formal as the PSV licensing authority, where you can have opponents come in and say, that person should not have a CT as we have in the PSV licensing scenario? Are the persons applying for commercial truck licences going to have to appear before the Board complete with legal counsel, etc., to justify the facts in their application for commercial truck licence? Simply put, is this going to add considerably to the ability of the commercial truck users? Is it going to add considerably to their expense and time required to obtain commercial trucks for their business operations? If it is only a simple application, then maybe it has some merit, but there are indeed some considerable potential pitfalls in this extra step requirement for the commercial truck licensing application and we will be questioning the Minister during the committee stage of this bill.

The other area that is introduced in this legislation is an attempt, through an amendment, to bring unsafe vehicles to the attention of the Registrar so that the owner of that vehicle is under a legislative requirement to undertake repairs as deemed necessary by an inspection facility, be it a garage or one of our drive-through car inspection operations that we have ongoing in the summer time. But I think the key element here is, number one, what is the intent? If the intent is

to remove the problem that I wrestled with when I was the Minister of Transportation and that my predecessors, both in my government and in the government preceding, wrestled with in an attempt to bring unsafe vehicles through an inspection process that they would not be on the road, because if it is, I think this legislative amendment falls far short again. Because this legislative amendment is only triggered, the requirement to have a safety inspection is only triggered, at such time as the Registrar of Motor Vehicles is informed of the need of a safety inspection on a given vehicle. Then the Registrar, apparently having received that information, would request the owner of the vehicle to undertake a safety inspection. There are a number of unanswered questions in that amendment.

First of all, can I take a look at my colleague, the Member for Arthur's, half-ton truck and say to myself, that doesn't look safe? Can I phone up the Registrar of the Province of Manitoba and say, the MLA for Arthur I believe has an unsafe truck and then put him through the ropes of proving his truck is safe? Who can inform the Registrar as to the safety of a vehicle? You see, that's a very big question. This could open up the Registrar's office to all sorts of personal feuds not being settled amicably. The disputant with his neighbour could phone up and say, that man's car is unsafe and put his neighbour through an untoward amount of inspection and cost. So who can inform the Registrar as to the unsafety situation of a vehicle? Can it be anybody or is it the police or who is it? That hasn't been adequately explained in the legislation.

The other thing, in the case of a used car lot which has sold a vehicle with an unsafe certificate and that vehicle can't be registered because it was sold with an unsafe certificate, but that requirement doesn't apply if the person buying the vehicle sells it to his wife or his buddy and his buddy registers it or his wife registers it; that becomes a private sale and the vehicle can be registered without question. Well, is the informant in this case, the used car lot operator, who the moment he sells a car phones up the Registrar and says, I sold this car which is unsafe in these ways to this individual; you should call him in for an inspection? Who makes the Registrar aware of the unsafe condition of vehicles and what is the obligation of the Registrar to follow up on any or all of those theoretical complaints about the unsafe condition of vehicles?

So that with those comments, the other amendments, as I've said, that are appearing in the bill seem to be routine and I won't take the time of the House to deal with them. We'll certainly deal with them in committee, Mr. Speaker.

Thank you.

**MR. SPEAKER:** The Honourable Member for Virden.

**MR. H. GRAHAM:** Thank you, Mr. Speaker. There are just a couple of items that I want to deal with in this bill, both of which have been touched to a fair degree by the previous speaker but maybe not quite as thoroughly as they should have been.

The one is the one dealing with the parades and the requirement that you must get a permit from the Commanding Officer of the RCMP. This brings me, Mr. Speaker, to a question of maybe a conflict of jurisdiction. We know that, for instance, in the City of

Brandon this year, they will be celebrating their Centennial and, being an incorporated city and having their own police force and the fact that there are provincial roads or highways in that area, I would just wonder whether it should not be some amendment to this where you require a permit from the officer commanding the police force whose jurisdiction the parade comes under. There is no possibility of a conflict in that way.

The second point I wanted to raise was dealing with the headphones and the earsets that were mentioned to quite some extent by the Honourable Member for Pembina. It brought to mind some debate that has raged in this House from time to time through Private Members' Hour and I recall well the particular interest of the Honourable Member for Elmwood, who has repeatedly over the years been very consistent in his request for the concern of safety of drivers. He would like to have compulsory seatbelt legislation and also helmet legislation for motorcycle operators. Mr. Speaker, I would think that if we pass this particular bill, which would prevent the covering of the ears on a motor vehicle, that in effect we would effectively ban any opportunity we may have in the future to bring forward compulsory helmet legislation.

I would think that the House having once made its decision that the ears should not be covered and making that decision in full consciousness that it would be very difficult to bring forward compulsory helmet legislation in the near future. So I would ask members to consider that very carefully. I just want to warn you now that if you vote to support that particular section, in effect you are saying that you are against compulsory helmet legislation. So I wanted to raise that issue for the House to consider. So when this bill goes to Committee, you may want to make some changes to it because of your own personal convictions with regard to helmet legislation. I suggest, Mr. Speaker, that particular section will effectively prevent any successful move towards helmet legislation in the very near future.

**MR. SPEAKER:** The Honourable Member for River East.

**MR. P. EYLER:** Mr. Speaker, I move, seconded by the Member for Riel that debate be adjourned.

**MR. SPEAKER:** Order please. Was the Honourable Member for Arthur wishing to speak to the motion?

**MR. J. DOWNEY:** I wish to speak to the bill, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Arthur.

**MR. J. DOWNEY:** Mr. Speaker, I will make my comments brief and again the Member for Pembina has covered most of the concerns and issues that I have within this bill. There's one that I would like to elaborate a little bit more on, Mr. Speaker, is the portion of the bill that forces, in most cases, volunteer organizations or groups that want to hold a parade within their small town or village or large town that the Minister should give consideration to either changing it or removing this portion of the amendment to the Act

because, Mr. Speaker, I don't think the Minister gave very serious thought or had very much research put into this particular portion.

What it's really doing is adding a bureaucratic nightmare to those people, who in all good sincerity, are trying to put on a good and honest local event, whether it be a 4-H Club Parade, whether it be a Kinsmen or Lion's Club or any locally sponsored parade and they are pretty popular throughout the province. Really, what they're doing here, Mr. Speaker, is I would say putting in place a bureaucratic hassle without very much justification.

I don't know of any accidents that have been caused or have happened in the history of this province because a highway parade has been going through a town and at some particular point has touched on a provincial highway. I don't see where a permit will add safety or anything to that particular community, other than cause them somewhat of a nightmare, unless, Mr. Speaker, he doesn't intend to enforce this portion of the Act because to me, I can't see what real need there is to force a permit to be issued and as I've indicated, I think just causes a lot of headache for a number of people in a community who, at this point, don't normally need it.

The Minister of Agriculture, quite rightfully so, makes a comment. He says, the RCMP are probably involved in it and that's a point I wanted to make. In most parades, Mr. Speaker, you see the RCMP either leading the parade or is a part of it and instructing the traffic, so why, Mr. Speaker, do we have to have a written rule or regulation in this province in case there is some particular person doesn't do it. Mr. Speaker, I know it isn't a major issue, a major concern, but it's again evident that here we have a government who believe that more regulations, more legislations should be imposed on the people of Manitoba during what would be an event that I don't think needs that kind of a rule.

It would be interesting to see - I don't know what the penalties are - how much the community would be fined or charged if that particular section of the Act wasn't lived up to. Well, it's a law that's going to be passed by the Legislature and whatever it is in most cases, Mr. Speaker, if it's a volunteer organization that are putting on a parade, and they don't have a permit, and they haven't closed off the highway, how many hundreds or thousands of dollars would it cost in fines or penalties not to have had this permit? So I don't see the need, Mr. Speaker, that's the point I'm making. I think it's an extra amount of bureaucratic paper work, headache that anybody that's organizing a parade or such in a community just is imposing unnecessary bureaucratic regulations. I would hope during Committee stage that the Minister would reassess this small piece of - well, it maybe doesn't seem big to him, but I think to a community that's putting on an event, it's just one more thing that they don't need, one more piece of legislation or restriction that the community can do without. Thank you.

**MR. SPEAKER:** It is moved by the Honourable Member for River East and seconded by the Honourable Member for Riel that the debate be adjourned.

Is the Honourable Minister of Agriculture wishing to speak to this bill?

The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Thank you, Mr. Speaker. Just in making a few remarks to this bill by the Honourable Members for Arthur and Pembina, I share some of their comments with respect to the need of the permit, but I would want to get from the Registrar of Motor Vehicles dealing with the statistics of accidents and the problems that have been encountered by the RCMP and by communities when permits of this nature were not issued and/or where the RCMP locally were not involved because there are communities and there are parades in communities whereby there are no detachments in those communities and where the local detachment would not be aware or become involved.

I know a bit from experience that in most instances where there is a large community event, an annual fair or centennial event, some major event in the community that the Royal Canadian Mounted Police who may be stationed in that community would become involved in the parade and in the activities of that community, either taking part by leading the parade and/or other members escorting the parade in the community so that —(Interjection)— Well, Mr. Speaker, I myself would want to hear some of the comments from the Minister and from the staff in Committee when this bill goes to Committee, with respect to the problems that have been posed and the specific reasons for such an amendment.

With respect to the use of headphones, Mr. Speaker, while I can appreciate some of the comments that the Honourable Member for Pembina made about stereo sets and speakers in automobiles where the radios go loudly and the like, the impact or the effect of speaker systems away from one's head, there is a much - I know my son has a set of earphones where he listens to his record player - and the effect of speakers in the room are much different than when one puts a set of earphones on one's head.

Mr. Speaker, in terms of —(Interjection)— the fact of the matter is, it is the sound that goes into one's ears and the magnification of the sound is really what makes one's ability, I think myself, to be able to comprehend everything else that is going on when there is a heavy head of music or whatever entertainment one enjoys makes almost like this - if you're going to tune in, you really can't tune out. You're plugged into what is happening around you. When one drives and as the operator of a vehicle, as we know from the number of accidents and statistics of accidents that we have, the more items or the more areas that can affect one's ability to handle and operate that vehicle safely, one does lose a certain amount of control. Albeit, it may not be for a very long period of time, it is an impairment and that is really what one can put it. —(Interjection)—

Well, Mr. Speaker, the member speaks from his seat. I'm sure we will have a good debate on it, but there's no doubt in my mind that the more we sort of put in a way in terms of impairing, whether it be the vision — and some of the arguments that were put forward. For example, the Member for Virden indicated that if you're agreeing with this amendment then you have to be opposed to the wearing of helmets on motorcycles, Mr. Speaker - you know, some of the arguments that

were put forward in the past in that vein were that vision was impaired by the way helmets were manufactured, but I can tell you, Mr. Speaker, six months doesn't go by when I personally, am in contact with someone who can sort of testify that his life has been saved as a result of wearing a helmet while operating a motorcycle.

I have many instances. In fact, a friend of mine who works for a feed mill here in the City of Winnipeg was travelling out in the area of the Honourable Member, I believe, for Turtle Mountain in the Killarney area as a matter of fact last year, and it was just that, a vehicle crossed the highway and lost control and he claims to this day if it were not for his helmet he would not be around. Of course, he was badly injured in his body by being scraped along the pavement when the motorcycle fell, but he survived that mishap on the basis of wearing a helmet.

Now, I really don't agree and I don't equate the two as being very similar. The protection of one's head whilst inside a vehicle where one has the protection of the metal body of the vehicle, he has a certain amount of protection for one's head; whereas when you're driving a motorcycle one does not have the protection of the —(Interjection)— Well, Mr. Speaker, yes, I have been to stock car races, the honourable member says. Those vehicles are equipped with safety bars, with roll bars. They may not have a roof but, Mr. Speaker, they are in much safer condition in terms of if the vehicle upsets than many of the vehicles that we have on the market today, even with the hardtop roof. I will agree with him in that respect, but the safety equipment that those vehicles are supplied with is there for the safety of those drivers and those drivers, I believe, in the few times that I've been at races, not very often, do wear helmets. They do wear helmets in the vehicle, but I believe it is not the wearing of the unit on the head, Mr. Speaker, it is the noise that one gets from the direct penetration of sound into one's head, whether it be music or whatever one listens to, does distract one's attention from what is going on about him and that, of course, can —(Interjection)— Well, Mr. Speaker, I believe that there are strong arguments for that kind of an amendment in terms of the safety of one's ability to safely operate a motor vehicle.

Mr. Speaker, I have just those few remarks on this legislation and I believe, while the bill has been adjourned, it is the intention to let this bill go to committee at this present time.

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Mr. Speaker, if I may, I wonder if we could not act on the motion of the Member for River East. The intention was to adjourn it to give the courtesy to the members of the Opposition to have the Minister answer them, but in consultation we're told that they would accept the answer from the Minister in Committee, so we would like to vote on it to let it go to Committee.

**MR. SPEAKER:** Order, please. Is it the wish of the Honourable Member for River East and the Honourable Member for Riel to withdraw the motion?

The Honourable Member for River East.

**MR. P. EYLER:** Mr. Speaker, we're prepared to withdraw the motion to adjourn debate.

**MR. SPEAKER:** The Honourable Member for Niakwa.

**MR. A. KOVNATS:** Thank you, Mr. Speaker. I'm only going to speak just a couple of minutes because I've been listening very intently on all the debate that has been going on, on this particular bill and it brings something to mind. I would like the Honourable Minister to be aware of it before we go into Committee to review this bill.

I know that the bill was brought in because of the safety factors and the consequences of what the Minister thinks would be with the wearing of earphones, but the consequences of removing any of this stuff has far-reaching effects. Would the Honourable Minister take into effect the removal of telephones in the cars? Would they be eliminated also; is that part of the whole package? Well, I think you do concentrate on it, with the telephone, and I don't think it's a necessity to remove it, but it is a safety factor. If the Honourable Minister is going to be doing any of this stuff to remove these earphones that they listen to on radios, then remove all of the factors that are going to cause some problems. Remove the telephones, and I'll tell you, you're going to run into an awful lot of problems if you even consider it, but that is a safety factor.

Would the Honourable Minister - and I know this isn't his jurisdiction, his jurisdiction is the highways - consider pilots in airplanes having to remove the earphones that completely cover their ears, which is their only form of communication with the outside world while they're flying airplanes? These are all safety factors.

The Honourable Minister hasn't thought out too clearly in this bill that he's brought in. If he's going to change the rules concerning the lighting of motor vehicles on the highways so much before sunset and so much after sundown, I think he has to consider the same safety factors as they have on motorcycles, that when a car is running on the highway during day or night, no matter what time, that the lights go on with the ignition and go off with the ignition. I think these are all things that have to be considered. I know that there are more consequences than just saying it's going to be done, because you have to work with the car manufacturers. These are just a few of the things that I think should be brought to the Minister's attention before we go into Committee.

One other factor, concerning getting a permit to have a parade - well, I'll go back to my Piney Blueberry Festival. Do they have to go and get a permit to have a parade through the Town of Piney although it's a main street? I'll tell you what; I don't know where you would go if you didn't go down the main highway in the Town of Piney because the alternate routes cause more danger than holding the cars back. There's the danger of hitting cows, chickens and everything else because that's the only way you can get through the town unless you come through the main road.

I think the Honourable Minister should think this out a little bit more and be prepared to make some changes when we do go into Committee and with those remarks, thank you, Mr. Speaker.

QUESTION put, MOTION carried.

**BILL NO. 22 - LOI SUR LA FONDATION  
MANITOBAINE DES LOTTERIES.  
THE MANITOBA LOTTERIES  
FOUNDATION ACT**

**MR. SPEAKER:** The Honourable Acting Government House Leader.

**HON. L. DESJARDINS:** Mr. Speaker, would you now kindly call the adjourned debate on second reading of Bill No. 22.

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Health, Bill No. 22, standing in the name of the Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker. We've had a chance over the weekend to examine the contents of this bill. Many of the clauses in the bill are taken verbatim from a bill passed in this Legislature in 1980 and with many portions of the bill, obviously, since I was the Minister in charge of putting that bill through in 1980, I don't have many objections to. However, I want to make a few comments and also make a few suggestions to the current Minister in charge of Lotteries.

The concept of one board which, I guess, is an evolution of what has happened over the last eight or nine years, is something that I have no difficulty with. When I was appointed Minister in charge of Lotteries I was in charge only of the side that dealt with the government sponsored lotteries. The Honourable Attorney-General was in charge of the other side, and over the years I know the previous administration as well as our new administration when we took office, were concerned about a number of things; one being that the Attorney-General, who was then in charge of licensing, may some day have to prosecute himself because of a difficulty with regard to one or two applications that were involved. As a result, we did commission the Haig Report which recommended the moving of the licensing side of lotteries for casinos and other games to the Minister who was in charge of the other side of it, namely, the government sponsored lotteries. So that happened and the two different boards were set up. This bill now, of course, makes those two boards meld into and one and the whole sphere of lotteries, whether they be government run or government licensed, now comes under the auspices of one board.

One of the concerns I have, and I guess many people have, is a difficult thing in dealing with when one is Minister in charge of lotteries is the proliferation of lotteries. There are many people that have expressed concern about the field that we're moving into. It was my feeling and it still is that everything should be done to try and minimize the number of lotteries and the types of lotteries that are involved, whether it be casinos - I think we're at something like 12 or 13 casinos within this province to date - and I would urge the Minister that he keep a tight rein on the casino side of things because that, as we've seen happen to neighbours to the south and North Dakota, has just mushroomed into something which none of the officials or

anybody really thought would happen. You lose total control of the whole gaming and licensing aspects when you make a few, what look like very minor, changes. So I'd urge the Minister to make sure that, in dealing with the regulations that will be involved in this bill is also in dealing with the board members, that he appoints a board who is concerned about trying to keep some checks and balances on the existing system that we don't get stampeded into sort of a runaway position with regard to lotteries in this province.

There are external pressures, such as the Federal Government's constant pressure with regard to getting back into the lotteries field, and these things will have to be dealt with. I'm sure the Minister will have to make adjustments from time to time to the existing games to make sure that the interests of Manitobans are well protected.

Another area of concern with regard to the operation of lotteries is the one that we again have to deal with in this Legislature and that is the one of where the lottery funds are distributed. The feeling that I have, Mr. Speaker, is that the funds should be earmarked for cultural affairs and for amateur sport in the Province of Manitoba. I feel that, and I have mentioned this briefly to the Minister, the one particular aspect of the bill which allows the Cabinet to determine otherwise, in other words have funds transferred to the general revenues, is something that I have to tell the Minister I can't support. I think that the lotteries got their start in this province by first passing a bill which really went to develop a cultural activity here in the Province of Manitoba. That's how we embarked on this path and we've ended up where we are and I would urge the Minister to seriously consider that when we come to Committee, to have a look at that. I think that is an area that will really cause him difficulties.

Having been Minister in charge of Lotteries and trying to husband those revenues very carefully, I found out that when you do have a reserve earmarked for a specific thing, such as the Sports Facilities Program or whatever, at the end of the year it will show maybe a \$2 million amount in that particular trust fund and everybody knows that every Minister has got some particular pet projects that he or she would like to embark upon and that puts a lot of pressure on that fund. I suggest to the Minister that by allowing that particular section of the Act to stay in, what will happen is that he will have a lot of pressure from his colleagues, whether it be for grants for 100th anniversaries for different groups or whatever, some very worthwhile causes, but there will be pressure in the Cabinet to get a share of the lottery revenue.

Now, that in itself might not be exactly the worst thing that happens, but I could see that develop into a position where there would be so much pressure with regards to that we might even get into the very thing that I just mentioned before that I don't want to see us get into and that is to see the lotteries expanded such as has happened in Australia and other places, where they've got into off-track betting and all the other things because of the large appetites that governments have once they get their hands on this particular money. So I would urge the Minister to have another look at that particular portion of the bill which allows them to use these monies for general purposes. I think it should be earmarked for culture and sport

and that's where it should stay.

There are a number of questions that I would ask of the Minister and maybe I'll ask them during Committee. I notice, in this proposed legislation, that the revenues that will be derived from licensing, in other words the licensing of Nevadas and casinos and bingos, will now flow into general revenues really where it went before except that those funds, the way I understand the bill, will be under the direction or under the jurisdiction of the Minister in charge of the Lotteries. I have no argument with that. That is, I think, a move which I would like to see because it would provide an additional amount of money for amateur sport as well as for culture in the province. I believe the Minister of Finance this year will derive something like \$920,000 from licence fees and if the Minister goes ahead with some of the areas that I think he will go ahead with, in other words to increase some of the licensing fees for things such as Nevadas, that particular figure could jump very easily to \$3 million.

So I would say to the Minister, I don't argue with that but I would like to see these funds earmarked in a trust account which the Minister of Lotteries and the Minister of Cultural Affairs would use in those particular two areas. I think that there is an opportunity here with this bill to ensure that we will give additional funding to the different groups and thereby strengthen those two areas in the Province of Manitoba and that opportunity should not be lost at this time.

The other area that I would ask the Minister if he could inform me, at present when the transfers of funds are made from the Commission, they are put by Finance into a trust account and for many years, I think he as Minister and I know for a number of years while I was there, tried to fight the Finance Department to have the interest from that money go back into that particular trust fund. I believe about a year-and-a-half ago we accomplished that and that was, as far as I was concerned, a pretty significant move because the funds that were being collected as far as on a monthly interest basis did amount to a substantial amount of money. I know the trust account would build up to \$3 million every once in awhile, so if you're taking a rate of interest at 15 percent and you're looking at a \$3 million buildup, you are looking at something like \$450,000 a year that was accruing to General Revenue, rather than to the sport and cultural community in this province.

So, Mr. Speaker, I would ask the Minister that he have a look at that and maybe provide at Committee stage some of the answers with regard to that. Are we going to take now the monies that we collect from licensing and from the government run lotteries, put them into one trust account and then receive interest on that which is put back in the account for use in the field of amateur sport and also for cultural affairs?

The other area of concern that I would like to talk to with regard to some of the things in the bill that really are taken from the other bill and that is the, I guess, conferring of monopolies on any particular group within the lotteries system. Ontario has found and many other people have found that what might start off as a very innocent sort of lottery scheme or game of chance might turn out to be a windfall for any particular group. Again, I would urge the Minister through his board to be very careful that they do not

confer a particular monopoly on any aspect of lotteries on any particular group because I can see some real dangers.

For instance, to say now that the sole benefactors of, let's say for instance, a break-open or instant-win ticket would be this one group, as worthy as it may be, suddenly they find out that it becomes a real seller and then that affects other products such as the government run lotteries like Winsday or the Super Loto which is now being run by the Western Lotteries Manitoba Distributor, who has four partners who depend fairly heavily on those funds and have made commitments with regard to that. So, if there is one avenue that will weaken that particular foundation and reduce their amount of money, that will create problems on the other hand and I would hate to see that happen.

I think that the strength of our system here is that we have always been able to sit down with the vehicle such as the WLMD, which was set up awhile ago, which was one that we dealt with - and everybody that we dealt with - and I think the thing that has to be realized is in arriving at the different formulas that we do for funding, we have worked out a good solution with the Western Lotteries Manitoba Distributor which sees the United Way, the Manitoba Sports Federation, the Arts Council and total community involvement getting a good portion of lottery revenues. I would hate to see that we introduce all kinds of other games outside of that particular structure. If the Minister feels that there are some games coming onstream that might be a little too rich and too much money will flow into one particular coffer, I am sure he will find as I did that while negotiations sometimes get pretty tough, there is a mechanism there where we can deal and try to work out a proper formula for funding for that particular organization.

The main problem we have at this time is timing, I guess. The Minister has announced that he has commissioned Judge Jewers to bring down a report with regard to lotteries. One has to say at this time that even though the Minister has said he will not go ahead and proclaim this bill till he receives the report, the report as I understand it will not be handed in until some time in fall, this means that the Minister will be living under the old Act till the report comes in. Then I would suspect that once he receives the report, he will be having a close look at it and seeing how the report deals with many of the aspects of the problems of full-time bingo houses as well as many other aspects of it, at that time I would suggest that he will probably be interested in bringing in maybe a few more amendments.

I don't know what the plans of this government are, but there was talk about calling a fall Session or a late winter Session and I would suggest to the Minister that he has a look at possibly bringing the amendments that might flow out of Judge Jewers' report, as well as this particular bill in at that time. The Minister knows that there are a number of areas which are under dispute at this present time. They are before the courts and his hands are more or less tied till that report comes in - in other words, the report that he commissioned - which means that no action will be taken till fall or late fall with regard to any of this and I must truthfully say that with the exception of the monies being provided for General Revenue purposes

or that can be used for General Revenue purposes, I haven't got a real hang-up with any part of the bill that the Minister proposes.

However, I know what's going to happen. We are going to have really a second sort of hearing during the Committee stage of this particular bill. I would be very surprised if many of the people who have expressed concern to Judge Jewers' one-man committee with regard to different aspects of lotteries will not be at the Committee hearings and we'll be going through almost exactly the same things that the Judge is dealing with at the present time. I know that some of the more active people at the present time in challenging some of the authorities of the board will be there and no doubt, we're going to have a very interesting time at that time.

However, I say to the Minister again that I would ask that he give consideration to deleting the one section which deals with some of the funds from lotteries flowing and that they could be used for general purposes. On the other hand, I would urge him to take a tough position with his Cabinet colleagues and make sure the monies that flow from this and the interest from revenues gained from lotteries is used for cultural and recreation purposes. I think that should be under his jurisdiction and that can be used then for all the many programs that the people in the field of culture and sport need and in some areas want.

So having said that, I reiterate, have a look at that one section. I would like to see it taken out of the bill. No. 2, if there's any possible way of postponing this bill till the fall Session or till an early winter Session so that we have all the information before us at one time and deal with it all at one time. That would be preferable as far as I'm concerned.

**MR. DEPUTY SPEAKER, P. EYLER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Mr. Speaker, I would be closing the debate. Make sure that nobody else wishes to speak at this time.

Mr. Speaker, I wish to say first of all, that this question of lottery and gambling is quite a complicated, quite a complex, issue. It has been very difficult, very frustrating to try to work in this field and I'm sure the Member for Steinbach will agree with me on that. It's something that, if you're going to talk about it even in Cabinet, it takes an awful lot of time. If everybody is in a hurry and people are less interested, it's quite difficult and I don't think that too many members of this House really understand it. I am not suggesting for one minute that the Member for Steinbach or myself are more intelligent than the others, but I think it takes an awful lot of time to really get with it and understand the situation and the problems that we have and the seriousness of what can happen if these things are allowed to go out of control.

The Act that you have in front of you is - actually I think I could look at it in two different parts - there are certain things that it will do; it will change. I can only see one thing that it will definitely change and that is the situation where you had a corporation and you had a licensing board and that caused some of the problems that I could see. For instance, the licensing board had to be placed under a Minister somewhere;

nobody, the Deputy Minister didn't know who was the line civil servant responsible and, probably more important, whenever you needed staff you had to go through Treasury Board and you had to go through whatever, management, whatever you had, and Cabinet to fight for staff man years. Then it was part of the money coming from consolidated funds and you know how hard it is to get staff man years. There's one area that we don't want to skimp on staff man years. We want more policing; we want to protect the public and I think that everybody here knows that has to be done.

Now, this will bring this under this new foundation and the cost will be paid from the top. It will be financed through licensing fees or whatever, but we will take the steps and hire the people and the staff that we need and spend the money that we need to protect the people of Manitoba. So that is one thing that has to be done.

Now the rest, Mr. Speaker, is pretty well permissive. We can start tomorrow with this new Act and not change one thing. We could have the bingos run the way they are; we can have commercial bingos, the non-profit organization bingos, the Nevada ticket, the break-open tickets, the Western Canada Lottery Foundation products, the new computer lottery, we could have the casinos, everything run the same, but that is not what we want. Now, let's get an understanding right now. We did not call Judge Jewers and say, here, this is a hot potato. You decide on the policy that we're going to have. We're not just doing away with something that's going to be difficult to deal with. There are certain things and the Act was prepared and the Act, it was understood, we were going to bring this in this Session, before we decide to have a Commission of Inquiry. I want this to be truly understood that somebody is not - it is up to the people that were elected to bring in policies.

Now, one other thing, and that's very very clear, we won't back down from this. We wish to maximize the profit that will go to the charities. That is a given; that goes with the terms of reference that we gave Judge Jewers. We said to Judge Jewers, we want to maximize the profit that goes to the charities and we want you to tell us, approximately, to find out where the money's going. That's the first term of reference.

Now, do you know, Mr. Speaker, and the members of the Committee, that there will be at least \$100 million spent this year on that? I am not talking about gambling on the races, or gambling on the stock market, or gambling in Nevada, or going to North Dakota, or going anywhere else, or illegal gambling, or gambling on football games, or betting on baseball games, I'm talking about what is legally - and there's an awful lot of illegal things that are going on too. So this is the thing that we want to do. So we're not hiding behind anybody on this. We want to maximize the return, the profits, to the charities; that's number one.

Then another thing that was brought up; let me say that from the day that I took over the responsibility, I felt that things were out of control. I said that in Opposition, I felt that things were out of control. I'm not blaming anybody; I'm just stating what I consider to be a fact. Things are out of control so the first thing I do, trying not to disturb and ruin everything and disrupt everything, we said we will not issue any new



licences, we will just extend the licences that are now. We didn't look at anybody to persecute. We didn't look at anything like that, that we were aiming at. When we saw the problems there were, we decided on having an inquiry. We said, these are the terms of reference that I mentioned and repeated. Then we said, okay, make it wide enough, if you find something, you're not going to be restricted; you make your recommendation and we have left them alone. We have been very careful not to start declaring our policies at this time, very carefully, because we did not want to interfere with them. But I want it understood that we are not hiding behind them, that there are certain things which we want to do and I could mention that, but I'd sooner wait until we get - and for most of the things - this recommendation and then we'll go from there.

Now, this is what we did. We said this would be fair. We will not rock the boat and then, let me be very candid, once you've tasted blood, you become a cannibal. That's a hell of an example, but it's practically as bad as that. Now, no matter who, the best intentioned people in the world, once they've got the money, they don't really care where it comes from or how it got there as long as they've got it to do the good things they want to do and that's difficult. Once they have had it and once they've counted on it for their budget, to run their budget of their whatever organization, it is very hard to take it away from them. So, it was never intended - that is why there was one commercial bingo all. The people were licensed to go there and not on the other one because it wasn't open. Then there was another firm that had the same thing. Now there are so many things to look at. What are they doing? What are we doing if we allow this, if they are killing other bingos? I'm not making a statement; I'm not choosing sides. I'm saying that's a possibility.

Then, of course, we want to know where the money is going. Then at bingo, you are selling Nevada tickets at a bingo. That wasn't the idea when the bingos were started. Is that fair? Now, what does it do? Then, when you're selling the Nevada, what does it do to the Express and the other people that you had devised a system to finance, that are doing something? And it was a good system; it was a system that recognized sport; that recognized the cultural and then going with the United Way also. So those things have to be addressed; those things have to be looked at and this is one of the reasons why they have this Act. So the Act is permissive.

I knew that people would be concerned when we had in there, and we looked at, the Consolidated Fund. It is the possibility of turning the money over to Consolidated Fund and why do we want that? We want to be ready when we have to move and we'll have to move fast. That's another reason that we will not wait; we cannot wait for a year; we must be ready. In fact, in many instances, it's fairly late now. We are keeping an open mind to see how it will be done. But now the Act - and I'm going to try to be very candid with you - permits the corporation to do everything and anything. By the way, that's what the Criminal Code is all about, that only the gambling has to be done by the provinces or somebody that they license or delegate and nobody, but nobody, can profit - I'm not talking about nonprofit organizations - from gambling, except nonprofit organizations and the gov-

ernment has to license them. That is one thing.

Furthermore, one thing came to our attention that a judge, rightly or wrongly, decided that the licensing board could not say, you are licensed but not to go there. I don't think that is the intention, the *raison d'être* of a government to be told by the courts about policies. Every single province in Canada has a policy on commercial bingos; most of them will not allow commercial bingos. That is something that we have not made a decision about, but we will want to look at. This new Act will now make it quite clear. The judge did not say that we were wrong, but he felt that the Act wasn't clear enough, that it did not allow them to make the regulations to make it quite clear and that hasn't been corrected. It was pretty well at the request or the suggestion of the judge that this was done.

Now, my honourable friend talked about proliferation of lotteries and I find it odd because I think that under his stewardship, that's exactly what happened. Everything was allowed and, as I say, I tried to settle for another reason, because we were going to look forward and bring some legislation. Secondly, because we were going to make sure that there wasn't that proliferation of lottery, so we figured we're not going to give any licences. Now the court said, you have to license - okay - and the people that are going in there are taking a chance. It's not a policy of government and the policy of government, who knows? We will see. On that, we are certainly counting on recommendation and findings of the Jewers Commission. That is another thing.

For instance, you've had the Manitoba Lottery Commission and then the Lottery Licensing Board. The Manitoba Lottery Commission, although it was under the same Minister, was mostly working with the products of the Western Canada Lottery Foundation and the Manitoba Licensing Board felt that there were no directions given to them, except to go ahead; they have to make sure that they follow whatever regulations. They've tried that. They didn't feel that it was up to them to make the policies, so you had a situation that people were coming all over the place. They were coming to Manitoba and we had no control in licensing or doing anything with vendors. When I talk about vendors, I am talking about all the operators, the middleman, the printers, anybody, any profit group that are working in this field. No control, they can thumb their nose at you and say, that's none of your business. This is exactly what happened.

Now, you have on the market - and I hesitate to say that - inferior products that make it very, very dangerous, that should be stopped as soon as possible. I'm not saying this is a criminal case that somebody is doing that. That's possible, but I'm not saying that somebody is doing some of these things to beat the public. I am saying it's an inferior product because you haven't got the expertise and because you haven't got the inspectors and you haven't got the policing that you should have. This is why I cannot wait another day; I'm probably too late in many instances.

When these people are allowed to sell Nevada, that's a new game. It went against the intent of the policies of the government of the day and the government that replaced it who kept on with the Western Canada Lottery Foundation because the Western Canada Lottery Foundation was started to do just

that, to stop the proliferation and they had some rules. But lotteries is a game that changes very fast; you change the games if you're going to be ahead of the game.

So the intent was, there would be only so many lotteries but then all of a sudden, something that was practically unheard of was the instant lottery. So there was no regulation that said, okay, no instant lotteries. So the instant lottery started in opposition to what the government was supporting, to support the Sports Administration Centre and they will need more money. They are losing on the Express and that's because the Nevada is selling in competition and it is popular.

Now these games, I agree, there should not be proliferation, I think there are too many. You might ask me, well, why did you just say that you'll allow this new lottery. I'll tell the member why. I'm not going to hide on that one either. Why? Because we have a choice. The Canadian Government, the former Liberal Government, I think fooled the public, were not honest with us when after the Montreal Expo where they said, okay, if you allow to sell the Olympic Lottery, after a certain date it's finished. But then they saw a good thing. Like everybody else, they didn't want to let go. You remember right and they went back on their commitment that they would turn it over to the provinces where it belonged and we fought that.

Then there was a change of government federally. The Conservatives were there for a very short time. They said, yes, it belongs to the provinces. They turned it over to the provinces. There was another change of the Federal Government and they are kicking themselves and they'd like to have that lottery so badly that they're trying to bring something else in. I was one of the founders of the interprovincial group, in other words all the provinces who look at the situation at one time and said, all right, we're going to fight them if need be, because they are coming in a field that doesn't belong to the Federal Government. That's when you had the provincial lotteries.

Now, this is the reason you have to keep on top of the game; there are changes in the computer games and all that. Federal Government were coming in, so the provinces will beat them. Now the province might try to have an arrangement to do it in a friendly way with the Federal Government, but if there has to be a fight, fine. I say to you, if it's going to come anyway, I certainly will allow it and make sure that the piece of the action or the most of it will go to the Federal (sic) Government. But having said that, it doesn't mean that we have to stay with every lottery we have. I think we have to keep replacing them; we have to keep researching; we have to keep evaluating these games. When one is more popular and it'll change, you get rid of it like we did with one of the first ones. So that will be done. So I can assure you that I have the same concern over the proliferation.

Now why do we need this Act, all these permissive things, so badly then. As I said, I think it's out of control. Let's take one thing; let's take the casinos. Every day, I am getting calls on the casinos. The people that have it think it's the most wonderful thing in the world, that I am absolutely right to make sure there's no more of them. But, of course, they have to be allowed to keep it because after all they're running a good casino and they were the first one to run it and I

think there's a God-given right to say, not you - but you - you get a casino.

I'll tell you that every year the applications are increasing and increasing. There have been 96 applications and there were 30 or 35 grouped together that have been licensed who are very happy and the 60 others are cursing me and cursing the former Minister and cursing everybody else. Every year, there will be more applications. That's one game and it's the same for everything else.

The people are now saying, at least we have a chance; don't take that away from us. It can't keep on like that. We have to look at the proliferation. Do we go on forever? Does money become the only important thing? I'm getting complaints about the type of people who are going day after day, either to a bingo game or to casinos, and I'm concerned about that; I'm very concerned about that. Besides that, the whole question of the distribution of funds will have to be looked at. If you think, this is only the number one step, to make sure that we maximize the profit to go to the charity; to make sure we protect the public and make sure that there's enough policing and the licensing is done right; that we have the right to decide; that the courts will not tell us what we allow in this field or any other field. So this is what this legislation will bring; the rest is permissive.

There might be some groups who can't do certain things, that we will have to get some umbrella group and say, okay, you take care of your own in this way or the Foundation will do it themselves, but that will be there. That will not interfere with any recommendation at all. It's just getting the mechanism in place to do just that and then to start the next step of having fair, adequate distribution of the funds.

I think I have covered the board, the proliferation, why this new one was allowed. Of course, as I say, we have to go with this legislation now. I don't know; there hasn't been a final decision made but if we have a Session in the fall - I imagine it might be a Throne Speech or something - but you can rest assured that if there was any kind of legislation like that, it would take a year before we had it. I can say that because it became more of an issue, not because I chose it, part of the question of commercial bingo became an issue. I have requested from Judge Jewers, if he could give me an interim report as soon as possible and he's promised this report by the end of July and the rest by the end of August. He feels that this will be done.

Now the question of Consolidated Fund, the member is speaking as if it was a complete change and we're saying the money will go in the Consolidated Fund. That is not what we're saying. The money might go, if the Cabinet decides. Now you say, well that's a temptation. If the money is there, they'll want to go there and they'll want a piece of the action. The temptation is still there now. My good friend, the Minister of Culture, fights me continually. He wants a bigger share of the pot because we have a certain amount for sports and a certain amount for culture. So that temptation is there and the temptation will be the same.

Now, I want to say that we don't really know; we're not even looking at the distribution of funds now. We're looking at what I said, cleaning it up, maximizing the pot, and it might be - I want to be ready - in saying that we can if we want go to the Consolidated

Fund, put the money in there. It might be that some will go to the department of sports to do certain things.

Another thing that you have, and I think that the former Ministers will realize this, is people who are being given a licence, practically, to print money. Either they have a casino or some kind of a lottery or sell Nevadas and they have hundreds of thousands, if not millions, of dollars from that revenue source. Then they are also in line for grants for other things and if we're going to make a fair distribution, we have to get hold of all these things. We have to know how much money. Do they get something from a casino? Do they sell Western Canada Lottery tickets and get money from that? Do they get a grant from the Arts Council? Do they get something from the Sports Federation? There's not that much money around. We have a large deficit and those things, we'll have to look at.

I can say, very honestly, very truthfully, that we have never discussed in Cabinet any change, that we want this money to do anything else but go to sports. It's supposed to be for sports and cultural affairs, but now the community clubs have it there. We haven't even thought of that. The best way might be, instead of having people say, okay, you run your thing; you keep the money. It might run in a different way that we'll have one big pot and it might be that grants will have to be made like that. It might be that a recommendation might be that so much of that money is allocated to a department to make grants on culture, on things like that. Do you understand what I'm saying? This is exactly to be able not to have to come with all kinds of amendments. But I am repeating now, as of today, it is not the intention of the government to change anything in the way the money will be used, except we will certainly look at more fair and even distribution. This is just permissive.

Now I'm told, well, you're just going to have trouble for nothing. They felt that, well, all right, you're going to have to wait and you might not need this bill and you're going to take a long time in committee. This is something that we will have to face and there are people that might be a little nervous because of this bill. There might be promoters that are making a good thing here that might be nervous, and well they should be, not because I have anything against any of them; not because I think they are doing anything illegal, but because I am committed to maximizing the profits that will go to nonprofit organizations and to charities. That is a statement that we've made and that is something we should do. We didn't allow lotteries in this province so we can bring all kinds of people to make all kinds of money. It was, like the defenders of lotteries call it, a voluntary tax to help certain groups.

So, Mr. Speaker, there's no reason I can continue. I probably could go on for a long time, but I hope the position of the government is very clear on that. We need this and we need it now; we would need it even if we had no Commission of Inquiry. We are not, have not and will not interfere with the Commissioner of Inquiry; he knows that. As a gesture more than anything else, because I don't think it would change, we said we will not proclaim this bill until we get the report. The report will be used to help us. We have not asked Judge Jewers to give us a program, a policy; we've asked him for certain information and for

recommendations that will help us accept our responsibility to bring the proper policies on that.

Consolidated Fund - I explained we don't want to change anything at this time, but we don't know; we might. When you're talking, it's fine to say, for sports and the arts, and sometimes you think you're really helping them. I don't happen, for instance, to think that sports made such a good deal when the former Minister said, okay, you could have that partnership which was offered to them before; but he also said, you take something which was the responsibility of government before. I am not saying that's bad, but because of the deficit - in other words, I'm talking about the Administration Centre which was paid from the Budget of the Minister of Sports and that is not being done anymore. So they give them money but they accept the responsibility that is growing and the money is not growing. I'm not saying that's bad. I think with a deficit the way we have and although we want to do more, all of us in this House want to do more for sports and the arts and community centres, we might have to say, okay, we'll give you means of doing that, but you will accept exactly as the former Minister did. You will have to accept more responsibility.

Mr. Speaker, this thing of the Consolidated Fund just makes it feasible. I can tell you that one thing I'll look at and recommend, because I hope that we're going to get more money out of that, will be certain money for research like many other people are doing. I think that there are many reasons, because the government cannot do and I think the former Minister of Health would probably support me in that, there is no way that we can just say when we have the kind of Budget we have - excuse me.

May I say, Mr. Speaker, that apparently while I've been speaking, there has been an arrangement to waive - if I'm right - the Private Members' from both sides and to continue with the bills? — (Interjection) — I beg your pardon? I never said I had — (Interjection) —

**MR. SPEAKER:** Order please. We have reached 4:30, the time of Private Members' Hour. When we next reach this item, the bill will stand in the Minister's name.

The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, we're prepared to waive Private Members' Hour today to continue on discussion of bills.

**MR. SPEAKER:** So, the wish of the House is to continue? (Agreed)

The Honourable Minister of Health.

**HON. L. DESJARDINS:** So, Mr. Speaker, I think that I was trying to recap and I don't want to start over again. I think the last point I want to make again is to make sure that we understand on the Consolidated Fund. There's nothing changed in this.

Oh yes, I was talking about the research. That is something we'll look at. There is no way with the kind of Budget, the economic situation that we have, that we could take a percentage, as has been suggested, of the total Budget of the Department of Health and say, that's for research. But, we are committed to research and it might be that some of that extra money, if we are

successful in maximizing the profit in lotteries, we might have to look at research and other things.

Thank you very much, Mr. Speaker.

**QUESTION put, MOTION carried.**

**BILL NO. 40 - THE LABOUR RELATIONS ACT**

**MR. SPEAKER:** The Honourable Acting House Leader.

**HON. L. DESJARDINS:** Mr. Speaker, would you now call the second reading of Bill No. 40?

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Labour, Bill No. 40, standing in the name of the Honourable Member for St. Norbert.

The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, with respect to Bill No. 40, I personally want to indicate that on this side we are unable to support this bill. We believe that this bill unduly interferes with the free collective bargaining process. We have serious concerns, Mr. Speaker, that lead us to believe that the first contract proposal is a poor substitute for free collective bargaining and could be detrimental to collective bargaining generally in this province.

Mr. Speaker, it may become, in our view, too easy not to negotiate; too easy to circumvent the bargaining process and the entire concept of collective bargaining in this province may deteriorate or be destroyed. We're concerned, Mr. Speaker, that there may be no real effort to negotiate a collective agreement if there is full knowledge that a government appointed board will decide that issue in any event.

Mr. Speaker, the labour movement generally has always been opposed to any form of compulsory arbitration. We've always felt that voluntary has always been better than compulsory and this proposal certainly contains elements of compulsion. It is a solution, Mr. Speaker, which only delays the confrontation for a limited period of time; it just allows one year of time for further resentment and aggravation to build up between the parties. We discussed this matter at some length with the Minister of Labour during his Estimates on this particular aspect. We're of the view that a first imposed contract may very well lead to further confrontation between the parties.

In addition, Mr. Speaker, this bill gives to the government appointed Labour Board absolute discretion to settle the terms and conditions of a first contract. Despite the comments of the Minister of Labour in his introductory comments wherein he attempted to indicate that this legislation and this authority would only be used in certain circumstances, the legislation is drawn in such a manner that, for example, in Section 9 of the bill, "Procedure and Settling Terms and Conditions, the Board may take into account . . ." and then it follows along A, B and C. It refers earlier on in that section, "If it considers it advisable," that being the board, "it may settle terms and conditions of the first collective agreement between the parties." So there is absolute discretion, Mr. Speaker, to this government appointed board to settle terms and conditions of the first contract if it considers advisable. The wording is not, "shall take into account," for example, the extent

to which the parties have or have not bargained in good faith but, "may take into account."

When the Minister introduced the bill, Mr. Speaker, in Hansard on Page 2990, he indicated that the amendments proposed in the bill are intended mainly to meet concerns expressed about the frequent failure of parties to conclude a collective agreement following certification. The wording of 'frequent,' Mr. Speaker, that he used causes me some concern. It might very well be, Mr. Speaker, that we would find after a few years of experience that if the authority contained in this bill is only used in a very limited number of cases and very isolated number of cases and in a very limited fashion in those very extreme few cases where one party does not negotiate and absolutely refuses to negotiate in good faith and the legislation is used in those few cases; if that is the experience after a couple of years, Mr. Speaker, we may be able to say at that time that the bill has served a useful purpose in assisting and settling terms of first contracts where there has been an absolute refusal and a clear case of failing to bargain in good faith but, Mr. Speaker, at this stage the absolute discretion given to the Labour Board, as set out in this legislation, causes us a great deal of concern. We have no idea, Mr. Speaker, how that discretion will be used.

It's interesting also, Mr. Speaker, to look at the retroactive provisions contained in this legislation. Mr. Speaker, I can recall during the last four years of our government the concern that was always expressed by members opposite when they were in Opposition if there was any attempt to make a bill in any form retroactive, but this bill in Section 9 goes back to March 31, 1981 and then Section 10 of course is retroactive to February 25, 1982 and that causes us a great deal of concern, Mr. Speaker, to make a fundamental change in labour relations not only for the future, but to make it retroactively with respect to one section more than one year ago.

So we will want, Mr. Speaker, to question the Minister when this bill is in Committee on the effects of the retroactivity portions of this legislation. Retroactivity should only be used in very very isolated circumstances, Mr. Speaker, and we will want to question the Minister on the retroactive sections of this bill.

Mr. Speaker, we are also concerned about the consequences of the use of this legislation. Legislation, again, which gives to the board absolute discretion. Mr. Speaker, what happens if that board uses that discretion they have under this bill and as a result destroy a business and thereby the livelihood of its employees? We have no guarantees under this legislation as to the manner in which they will exercise their discretion and it's certainly not an impossibility that this may happen in our current depressed economy.

Mr. Speaker, I am unable to and I don't wish to indicate the name of the employer involved, but since this bill has been introduced, for example, I've been made aware of a situation and I cite it as an example, where after certification of a union collective bargaining was entered into, the union I believe made a demand of some 60 percent, the employer countered with something like 6.9 percent, then raised it to 8.9 percent, as a result of which the union decreased their demand to 50.9 percent. I'm not, Mr. Speaker, talking

about who is right and who is wrong in that particular instance, but the concern I have is that in this particular situation if there were to be an imposed first contract by the Labour Board in this particular industry, which happens to be a branch plant of a subsidiary of an eastern company, if the imposed contract were out of line by \$1.00 an hour or somewhere in that vicinity, the eastern company would find that it would be cheaper and better, perhaps not cheaper, but more economical to do the work in Eastern Canada and 50 jobs would be lost to Manitoba.

Mr. Speaker, the discretion which the Labour Board will be given under this Act has to be viewed and carried out very seriously, particularly in view of the economy at this particular time. What effect, Mr. Speaker, will this legislation have on investors who may be looking at Manitoba or people who are currently living in Manitoba who might be thinking about establishing a new company and new employment opportunities in Manitoba? It's true, Mr. Speaker, that the legislation exists in British Columbia and in Quebec as well as federally, but neither province to the west or to the east of us has this similar legislation in effect and one has to be concerned whether or not first-contract legislation would be a factor in the investor's mind in determining whether or not he or they would make investments in Manitoba and provide new employment opportunities in Manitoba.

Mr. Speaker, at a time when jobs in this country according to the latest statistics, the level of unemployment is the highest since the depression, one of the first concerns of the government at this particular time should be developing and encouraging jobs in Manitoba and employment opportunities in Manitoba. Mr. Speaker, this legislation will, I believe, be a deterrent to new investment opportunities taking place in Manitoba and will result in a loss of employment opportunity.

Mr. Speaker, it offends the principle of free collective bargaining as such and that is a difficult process as we all know and certainly each side from time to time imposes the economic sanctions that they are entitled to. Mr. Speaker, we have I think, during the past four years always taken the position that a free collective bargaining and a voluntary agreement was the best way for these situations to be resolved and not by imposition and not by compulsory measures. So, Mr. Speaker, for those reasons we on this side intend to vote against Bill 40 which would impose first-contract legislation in this province.

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker, I have a few brief words with regard to this particular proposed legislation. First of all, at the outset, I have to say that I will be voting against this particular bill. I believe, and I think anybody who realizes what's going on, this is a payoff by the NDP to their union leadership that supported them in the last provincial election and there's no question about that.

I find it incredible that on the one hand you've got the Minister of Health here who is dealing with the doctors who want binding arbitration and here you have the Minister of Labour bringing in binding arbit-

ration; you've got the Minister of Health saying no, we don't want to get into the binding arbitration aspect of things. Here you have the Minister of Labour, on the other hand, now bringing in binding arbitration.

You know, Mr. Speaker, we're in a situation here now where we're going to ask the Labour Board to determine what an employer thinks he can pay his employees. As the Member for St. Norbert pointed out, they're going to even do it retroactively. I think that's sheer lunacy. People in this particular day and age are struggling to keep their business operation going. We hear on the news today the interest rates are probably going to climb another percent tomorrow. Manufacturing industries have enough trouble without this type of intervention into the free collective bargaining system in the Province of Manitoba.

Some of the people that the Minister of Labour wanted to help are people such as Dawsteel. They had a problem with this particular thing and I think this is one of the reasons they were bringing this in. Well, Dawsteel, you don't have to worry about, Mr. Minister, they're bankrupt. How about Boeing? I challenge the Minister to find out how many people went out on strike and how many people are working there today. I venture to say that they're down at least to 50 percent of what was working there awhile ago because some of the ongoing things that were happening down there have been moved somewhere else. A lot of these companies are fluid enough that they can move from one jurisdiction to another.

We're not dealing with the larger companies who have people that they hire for labour relations and that, but dealing with the small entrepreneur in Manitoba who's struggling right now, what this House is being asked to do is have the Labour Relations Board or the Labour Board in Manitoba determine what an employer of 10 people is going to pay his employees. He or she doesn't even have the right anymore to determine what to pay and what the benefits in excess of those legislated by the Legislature here will be. I think that is a real intrusion into the free collective bargaining system and is something that we should not be getting into.

One has to wonder to what extent some people will go with regard to paying off, as I said, election debts, because when you see what is happening out there in the real world and you see the difficulty small enterprises are having, and then you hear people like the CLC President, Dennis McDermott, who the First Minister has sort of taken under his wing, and you hear his remarks that they will not allow any rollback of wages; they're not going to give up anything, no matter what the cost.

Mr. Speaker, I have to say that's pretty frightening because if somebody is ready to go to the wall and lose his job because of it, because that small industry or that small individual who is struggling to make ends meet in providing a few jobs for those individuals and those individuals are not willing to give when the employer is already giving a lot, I think it's a pretty sad day for this country. I believe that in order to solve the economic problems that we have today, it's going to take a lot of concessions by management as well as by people that are employed there in order to maintain our position on world markets as well as our position relative to the other provinces in this country.

We've got a tremendous country here, but if we're going to not give, if we're all going to stand in our place and say we are not ready to give an inch, what's going to happen is the whole system will collapse, and you see signs of that all over where people are not willing to reduce their demands by one iota and thereby causing all kinds of difficulties.

So I say to the Minister, at the best of times, this would be bad legislation. At this particular time, when we face economic hardship, we face his 1.5 percent payroll tax which the employer is going to have to pay now and all the other things which small businesses in this province are going to be attacked with, I think this is ill-conceived and should not be passed by this Legislature.

**MR. SPEAKER:** The Honourable Member for Virden.

**MR. H. GRAHAM:** Thank you, Mr. Speaker. Mr. Speaker, there are certain fundamentals of legislation that I approve of, some that I don't, and retroactive legislation is one of them. All the time I've been in the Legislature, I have never felt comfortable when a government brings in retroactive legislation. Retroactivity smells of persecution.

On top of it, the rules of the game have changed. This whole bill has a retroactive clause back to February 25th forcing a decision on things that occurred at that time when employers in this province were unaware of an additional 1.5 percent payroll tax being added to their already overburdened load. So, Mr. Speaker, if there is going to be any retroactivity at all, I suggest that retroactivity should not go past the date that the Budget was passed in this House because there is another element that is definitely a negotiable item in any agreement and I suggest, Mr. Speaker, that the retroactivity should not go back beyond the date of the passing of the Budget in this Chamber. To do otherwise is punitive and as I said at the beginning, I have never liked retroactive legislation at any time, but in this particular case, I think it is abhorrent.

**MR. SPEAKER:** The Honourable Member for Sturgeon Creek.

**MR. J. JOHNSTON:** Thank you, Mr. Speaker. Mr. Speaker, the Member for La Verendrye said this was a payoff to the unions.

This is a situation where the First Minister in his usual manner was roaming around and he said, what do I have to say today to get people to do what I want them to do, and it's the usual way of say anything at any time to get support. When the Member for La Verendrye mentioned that it was to pay off for the unions, I can only refer to the Canadian Labour, Volume 27(1), January, 1982, page 15. It says, "building a better Manitoba," starting at page 15, "Manitoba victory, how sweet it is." Now this is January, 1982. Manitoba election '81, the On-The-Job Canvass, approximately 31,000 workers canvassed, 179 trained active canvass organizers, 506 trained active canvassers, 149 local from 27 unions participating, educating, showing the workers of Manitoba how bad things had become over the past few years. Then, of course, we have part of the Manitoba Federation of Labour election team from left to right, Kerry Wool-

lard, CLC representative; Susan Resnik, Regional Coordinator and MFL President, Dick Martin; George Nakitsas, is it, on the left hand side of the paper, National Representative with Political Education Department of the Canadian Labour Congress, was a member of the free election team of the Manitoba Federation of Labour.

Then you have another success story, the phone canvass. There had been phone banks in Winnipeg in 1979 and 1980, the best in the country, but the 1981 was dramatically better. The phone bank of over 20 phones; over 100 phone canvassers took part in Winnipeg and Brandon. The last week in Brandon, 19,000 calls were made; 7,654 unions, also was contacted.

So, Mr. Speaker, it's very obvious what the payoff is. In the first contract legislation of course while the election was on there was, within my constituency at Boeing, a labour dispute and they were calling for first contract legislation. The previous Minister of Labour was watching the situation very closely. As a matter of fact, they were able to settle and have an agreement shortly after the election. But during the election while they were calling for it, it was very nice for the Premier to stand up in his usual way and say, what would you like fellows for doing all this work? I'll say it; I'll say whatever you like and that's obviously what happened. The contract legislation, Mr. Speaker, is one that is not used that often in any province and it's basically, as I said, a payoff problem.

Now, the Minister of Labour in this province, Mr. Speaker, has done more to harm business in this province as Minister of Finance with his brand new tax, the first time we have ever had a payroll or employee tax in this province, that everybody who hires somebody and pays them a salary will have to make their submission to the Provincial Government of 1.5 percent of that salary. So, the Minister of Labour - and he smiles at it - I referred to a Mr. Keenberg today being a Little Caesar and then I found out he was a bag man, so I guess anybody involved with Finance for the NDP are Little Caesars, because I can tell you sincerely that the Minister doesn't really give a damn about the business people in this province —(Interjection)—

Mr. Speaker, I say that he doesn't care about business in this province. He has imposed a tax that will discourage investment in this province and then he comes along, as Minister of Labour, and brings in this piece of legislation that says to any company deciding to invest in the Province of Manitoba, if they can't agree among themselves, the Department of Labour or the Labour Board will put upon them first contract legislation. They will have the legislation dealt for them; they will have it put before them and they will have to agree to it. Once it gets in that legislation, Mr. Speaker, it'll never be taken out. They would never get it out of the legislation after it's been put in. Mr. Speaker, if you believe that people who want to invest their money in provinces in Canada, or if they're trying to decide which province they should move to or if they should move from one to another, I can assure you this legislation is a deterrent to them coming to the Province of Manitoba and the Minister of Labour doesn't care. He doesn't care mainly because he has to come through with the promise that the Premier made to the Federation of Labour of the Province of Manitoba. The promises have to be carried out because

there is the proof that they had to carry out these promises because of this work that was done by the Federation of Labour in the province during the last election.

Mr. Speaker, this has been a very widely distributed document in Manitoba, probably more widely distributed now than before the election; I assure you of that.

I'm rather surprised at the Minister of Economic Development, who sits by and watches a payroll tax be put on business in this province, a disincentive for people investing, a disincentive for people to hire people, as a matter of fact, an incentive to let people go, that's what it is, the payroll tax, and then sits by and watches this first contract legislation presented in this House, something that will be very rarely used that shall deter investment coming to this province.

So, Mr. Speaker, there's no question about the feeling on this side of the House of this legislation. As a matter of fact, there are many people within the labour organizations, members of unions that I've talked to, that are very sincerely discouraged that this is coming into Manitoba at this time because they are looking for jobs. They want jobs in this province and they want people to invest in this province so they can have places to work and for their children after them to work, but the Premier of this province doesn't really care about that.

He was proven the other night that he is not moving along with the resource programs the way they should be moved along with at the present time to develop industry within this province, when he could be doing something, he turns around and allows something that's a deterrent to be placed in this province for investment to give people jobs in this province. Mr. Speaker, this type of thing will be remembered by the people of Manitoba. They will remember what was said before the elections and they will remember what was done after the elections. I heard the First Minister say across the House to me the other day or he said while he was speaking, the Member for Sturgeon Creek doesn't do things the Manitoba way.

I'll tell you, Mr. Speaker, the First Minister once lived in Sturgeon Creek constituency. He once lived in Woodhaven and the people of Woodhaven were straightforward, down to earth, honest people who had discussions and when they said something, you could believe it; you could take their word. That's what the people of Manitoba understand and that's what the people of Manitoba will find out about the First Minister. He will say anything and afterwards, doesn't really care where the chips fall.

**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. L. SHERMAN:** Mr. Speaker, I would like to add a few strong words of criticism to this legislation before it attracts a negative vote from this side of the House at second reading stage. I'll be brief, Sir, but I do want to suggest that this legislation in my view is a trade-off for the anti-scab legislation that has bedevilled the Premier of this province and the New Democratic Party for some considerable time. Being unable to satisfy the various warring factions in his party and the various warring factions in those wings of activity that support his party, specifically, the Manitoba Federa-

tion of Labour; being unable to satisfy those warring factions on the anti-scab issue, he has had to acquiesce in this kind of a gesture and support the concept of Bill No. 40, first contract legislation and its introduction into the House by his Minister of Labour.

It's a trade-off, Sir, but it's a very weak trade-off. I am not at all sure in my own mind nor am I sure on the basis of discussions I've had with others close to the scene, that the militant labour wing of the New Democratic Party and government, the Manitoba Federation of Labour, is in any way satisfied with this kind of weak gesture. It's the best they could get at the moment, but let us operate under no illusions that this will eliminate and remove the pressures. The pressures are still going to be there; they are still on this Premier and they are still on his party and his government for much tougher anti-business, anti-management legislation.

This is the first step. It represents that continuing class warfare that's perpetrated by the militant leaders of the MFL, including Mr. Dick Martin and his colleagues, and that attitude is reflected here in this piece of legislation. So it's a sell-out, a trade-off and, really, from the perspective of the Minister of Labour and the First Minister, a cop-out, Sir, because they haven't met the urgent, aggressive, militant demands and requests of that Federation of Labour wing of their party at all. There is no suggestion and no indication that the Federation of Labour will relent in its continuing pressures in that direction.

Mr. Speaker, I would like to ask the question that jumps at anybody looking at this piece of legislation and that question is this; how is it that government feels that it is better equipped than the owner of a business to make the decision as to how much that business can afford to pay in terms of operating expenses? How is it that government arrogates that kind of wisdom and that kind of prescience and all knowing capability to itself? Doesn't the individual owner of a business, himself or herself, the individual enterpriser, small or medium, himself or herself, know better what he or she can afford in terms of the operating expenses that his business faces with respect to wages and all other costs; with respect to all other components of the overhead expense, of the operating expense? How is it that suddenly some great ability, some great intelligence, some great knowledge, is bestowed from the heavens upon the Minister of Labour and his colleagues in the Cabinet in the Government of Manitoba, that makes it possible for them to make those decisions?

This is the fundamental question that jumps out at anyone looking at this kind of legislation. Mr. Speaker, this legislation is an infringement on, and a very clear discouragement to, individual enterprise, particularly small business enterprise.

I recall, and I'm sure that the First Minister does, that another Labour Minister of Manitoba, a former Labour Minister in a former NDP administration, the Schreyer administration, and I refer to the former Honourable Member for Transcona, the Honourable Russ Paulley, mused about first contract legislation for some considerable time when the previous NDP government was in office. He contemplated the concept of first contract legislation and I know he flew a number of trial balloons in that area. Whether the foreshortening

of the political life of the Schreyer administration, brought about by the election of 1977, prevented his moving in that direction or not, I cannot say, Mr. Speaker. But I know this, that there was a period of time ranging over certainly a number of months and I think even a number of a few years in which the former Minister of Labour wrestled with, and mused about, and experimented with the concept of first contract legislation and never came to it; never really met the crunch head-on; never made the fatal and unfortunate decision to introduce first contract legislation and most Manitobans breathed an enormous sigh of relief at that result. Whether it was by accident or design, it was nonetheless a happy conclusion.

It may have been that former Minister of Labour had the strength and the clout to stand up to the kind of pressures that come from the militant, labour-oriented left wing of the NDP and this Minister of Labour doesn't have, Mr. Speaker. But I would suggest to this Minister of Labour that he might want to touch base with the former Minister of Labour in this area, because the direction in which he's moving here, although it may operate as a temporary and weak sop to those pressures, is going to pose a very severe handicap to initiative, investment and enterprise at the small business level in Manitoba. It may not discourage the major business operators, but it's the small and medium sized business operators that I think all of us are worried about and that, for the most part, are carrying the brunt of the burdens and difficulties that abound in today's economic conditions. They are the ones who are going to be discouraged.

So really, Mr. Speaker, this government is losing two ways. They are hurting that crucial aspect of our economy and they're making a weak, milk-toast gesture to the Manitoba Federation of Labour that isn't going to keep that group happy for very long either.

**MR. SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** Mr. Speaker, it had not been my intention to speak on this bill until I came into the House and listened to the kind of uninformed nonsense that I've had to listen to for the last 40 minutes.

One wonders when seemingly intelligent people, but then appearances are deceiving, indulge in the kind of rhetoric that we have heard in the last short period of time. It's as if there hadn't been, and isn't, a body of experience in Canada with this kind of legislation, introduced, it is true, for the first time in British Columbia by an NDP Government, but carried on by a social credit government because it worked so well, for reasons which I will explain in a moment if you choose to listen; adopted, subsequently, in Quebec because it worked so well in a particular way which I'll explain in a moment if you choose to listen; adopted, subsequently, by the Federal Government for Canada labour relations because it played a role about which I will speak, if you choose to listen.

To talk, as the Member for Sturgeon Creek did, about a payoff to unions - first of all, I often wonder about people who use that kind of language, what their experience is. This is not meant as a personal remark to the Member for Sturgeon Creek but he should beware, in pointing those kinds of fingers, that he betrays a certain familiarity with something that is

unknown to this side of the House. —(Interjection)— To talk about kowtowing or caving in to the so-called militant Manitoba Federation of Labour again shows that they are more interested in rhetoric than in looking carefully at history, and its recent history, although their memories may be dull. Let me, perhaps, refresh them a little bit. In fact, they made some points about this during the election campaign.

The Manitoba Federation of Labour, quite properly, had a particular view of how it felt that industrial relations might be improved in this province and that centred, particularly, around the concept of anti-scab legislation. Now, when this, then caucus, now government, said no, that is not the particular approach it wanted to take to a problem that does need resolution, was it caving in, was it kowtowing? It was not; it was asserting an independent role as a party and now as government in terms of looking at the needs of industrial relations in this province as a whole. So you can't have it both ways; you can't say in the light of that history which is a matter of record, that this is a party or a government that is led by the nose by one particular element of its constituency.

Certainly we have, and I'm proud of that fact, a close and a friendly relationship with the Manitoba Federation of Labour, as we do - no matter what you might say - with the owners of the family farms of this province with whom we consult and as we do with the small business persons in this province with whom we consult. The fact that we indeed are engaged in that consultative process, the fact that we've shown examples of how to balance various interests instead of being fixed on the one interest about which they've spoken in their remarks today, namely, the need to make everything easy for the entrepreneur at the expense of other segments of society. They don't know about balancing interests and that's why they sit in Opposition and not in Government.

Mr. Speaker, in 1935, when The Wagner Act was passed in the United States, what has been called the "historic bargain" was struck between organized labour and the employers. A bargain that was set in statute and has become the model for the North American type of labour relations, namely, that unions in exchange for exclusivity of bargaining rights in a particular shop or group of shops would give up the right to strike during the currency of a collective agreement; that became the framework for labour relations. In wartime, because of the needs of wartime in Canada when industrial peace was a crying necessity, as a result of that need, first by order of PC1004 at the federal level exercising its wartime rights, the Federal Government adopted the same model. Indeed, it did produce industrial peace which was required at that time, but it worked so well that it then became the model for labour legislation thereafter, but it's not labour legislation which has remained static, but it's labour legislation which has grown as the result of experience.

So the historic bargain, as I call it, of unions, once they have organized and become certified, being given exclusive bargaining rights and giving up the right to strike during the currency of a collective agreement, that became the framework, but it required a number of things to make it work. The first one of which was that the right to organize be relatively



unimpeded, so in the first section of our Labour Relations Act you have described certain rights that employers have, certain rights that employees have, certain rights that unions have and you have described these unfair labour practices.

One of the things which is being done in Bill 40, which has not been referred to, as I have heard it in the debate to this point, is the strengthening of Section 22(6), so that particular section which makes it possible for workers to organize is strengthened; that is, the remedial section is strengthened and that's good because I don't think there is a member opposite who would say publicly, no matter what they might think, that workers shouldn't have the unimpeded right to organize, so that's one piece of this legislation.

Now as things now are, because of these provisions of The Labour Relations Act, it is relatively easy for workers to organize or be organized. Quite often workers are organized, a union drive takes place and an application for certification is filed before the Labour Board. At that point the Labour Board steps in and plays a role on behalf of all of the people representing the interests of the employers, as well as of the employees, making sure that the applications for union membership are bona fide; making sure that there is the proper percentage of employees as demonstrated by the payroll at the time of the application and all of these things which needn't be gone over in great detail.

So that works reasonably well but some changes and some strengthening might have to take place there as well. But what happens - this is the point - is that once you get past the point where the union has been certified, and very often it is a very reluctant employer who is suddenly faced with the fact that he has a union or it has a union or she has a union, there is a union in the plant and that was possible because of these protective sections at the beginning of the Act, possible because of the certification sections and now bargaining must take place. That's where the trouble arises and that's where industrial peace, to which this Act is dedicated, The Labour Relations Act in its preamble - let me remind the members of the preamble of the Act: Whereas it is in the public interest of the Province of Manitoba to further harmonious relations between employers and employees by encouraging the practice and procedure of collective bargaining.

Now let me talk about that. What happens is this, if you'll bear with me, that an employer who didn't want to have a union - and most and many, perhaps most don't - is now unionized for the first time, is across the table from what might be a fairly new union which in itself is inexperienced and doesn't know the give and take of collective bargaining. You get an impasse, you get the digging in of the heels and a determined employer can, and in Manitoba's industrial history very recently, within the last two years, has used the collective bargaining process to break a union. It's so easy, and that lesson has been learned in three or four instances in recent time for an employer to stonewall at the table, to give the appearance of bargaining in good faith but not actually to bargain in good faith until the new and relatively weak union withers on the vine or until it's possible for the employer to hold out some incentive to the employees and get them to sign

an application to decertify. So the democratic choice by the employees of a union is thwarted by stonewalling.

This legislation is designed to do two things: one is this, there is a section in The Labour Relations Act which requires bargaining in good faith; it has never been enforced. You will say - I hope you will say - yes, we would like bargaining across the table. We all would, that's really where the focus should be. So one of the things that we're doing is adding for the first time a remedial section so that if anyone - and that can be the union as well as the employer - frustrates deliberately bargaining, is not bargaining in good faith, the Labour Board decides that.

Now there will be remedies. Where does this remedial section come from? It comes from the Ontario Labour Code; it was enacted by a Conservative Government in 1975 in response to this very same situation. It's not sucked out of the thumbs of the Labour movement; it's not delivered to us by the Dick Martins of the world, we took it from the Ontario legislation. —(Interjection)— Read your stuff. My God, if you would only do a little research, if you would only look at comparative legislation, if you'd only read the texts that are available, we wouldn't have to listen to this rhetoric, this ranting and this raving which is really a derogation of any kind of an intellectual approach to public policy and the job of legislation. It comes from Ontario.

The heart of this legislation, the heart of these amendments, is really that section. You see, the first contract legislation will apply only to first contract situations. The first contract legislation itself will apply only to, obviously by definition, first contract situations. But after that, of course, it may be that the kind of situation I've described which really does thwart good collective bargaining relations, can occur in the second or third or fourth bargaining situation, so that the remedial section designed to enforce the duty to bargain in good faith is really the heart of this thing and yet they've picked on this first contract.

Just a few more remarks about the first contract legislation. The history in British Columbia and that has been recently written by Paul Wyler, who was the first Chairperson of the B.C. Labour Relations Board, the Labour Board under the Labour Code, which provided for the first time first contract legislation, recently wrote a book called "Reconcilable Differences" and I would commend it. I really would commend it to those members over there who are - there are some of them - interested in finding out what happens in the real world, not in that make believe, sort of dogmatic sloganistic world in which they live, particularly the Member for Pembina. Sometimes as I listen to him, I believe he hasn't lived in the real world for about 12 years.

In British Columbia —(Interjection)— well, I've had a lot of experience with industrial relations, I should tell the Member for Sturgeon Creek and I have acted across the table on both sides. —(Interjection)— I have acted as the employer on one side of the table and I have acted for unions on the other side of the table. I know a little bit about bargaining. Now the point is this —(Interjection)— and the Member for Fort Garry is looking worse and worse every day. It may be the company he keeps because by himself

he's not a bad fellow. The major impact of first contract legislation has been mediative. That is, Wyler recognizes that in many instances the notion of first contract legislation, namely, that you recognize that a first unionized employer and a new union have a tough time living together, so you provide a framework in which they can for a year on the idea, on the understanding that maybe they'll learn how to more properly engage in collective bargaining. That doesn't always work, it is true. But what does happen is in a high percentage of cases where an application is made and it can be made by either party to the Minister of Labour for a first contract hearing, the Minister of Labour doesn't have to say yes, he can say no, you haven't bargained hard enough, go back to the table. But if he says yes, quite often the parties come, not before the Minister of Labour, but they come before officials of the Labour Board and do you know what happens? They resolve the matter. There is an impetus to resolve the matter and it does improve labour relations.

So I wish really that the members opposite would not impute motives, would not suggest that there's some payoff, or that this is some ideological thing. We have looked, as we ought to, at the history of labour relations; we have looked, as we ought to, at the recent history of labour relations; we have looked, as we ought to, comparatively to other jurisdictions. That's what good government does. We have looked at a problem which needs a solution and we've come up with what we think is the least intrusive type of resolution, the one that we think given goodwill will succeed. I would have thought that the members opposite would have, in fact, supported this bill; I'm surprised that they didn't.

When I came into this House and I heard the kind of rhetoric that I did from the Member for Sturgeon Creek who certainly knows a lot about racing and one day may know something about labour; the Member for Fort Garry, one of the three intellectuals on that side of the House, I would have thought that a more balanced view or if there was to be criticism — (Interjection)— In fact, I'll offer to do it, except that I might be turfed out of the caucus here. I could write a better speech criticizing the legislation than anything that I've heard in the last period of time. Mr. Speaker, this is a well thought out, a well researched, a well drafted bill, and it's going to pass; it will become part of the labour relations law of this province and it marks an historic advance in labour relations in this province.

**MR. SPEAKER:** The Honourable Member for Tuxedo.

**MR. G. FILMON:** Thank you, Mr. Speaker. I am reminded of the saying that used to prevail when I was out on campus, "You can always tell a professor, but you can't tell him much."

The Attorney-General helps us along the way with his little speeches from time to time, his little lectures, but I'd like to say, Mr. Speaker, that I'm amazed at the holier-than-thou attitude displayed by the Attorney-General, today in particular after some of the shenanigans that have gone here where we find out, you know, a week or so ago, two weeks ago that the New Democratic Party who doesn't know about political

payoffs according to the Attorney-General.

The New Democratic Party has no knowledge of political payoffs, and here we have the Member for Brandon East, the Minister of Community Services and Corrections, appointing one of his political supporters to a position, that he removes a long-time 14 or 20-year civil servant from, in order to put his political supporter in. Today, of course, we have the amazing situation of the New Democratically appointed Chairman of the Manitoba Racing Commission, a former bag person for the New Democratic Party who is now Chairman of the Racing Commission, who is appointed with no knowledge of racing whatsoever, no knowledge of the horseracing industry but, of course, these are not political payoffs. You must understand that these people were duly and democratically appointed by that party who is now in government.

Well, we have some other appointments and some other considerations that we'd like to discuss and I realize that I'm just about running out of time, so I'll tell those stories at the next occasion, Mr. Speaker.

**MR. SPEAKER:** Order please. When we next reach this bill, the honourable member will have 38 minutes remaining.

The Honourable Government House Leader.

### COMMITTEE MEETINGS

**HON. R. PENNER:** Mr. Speaker, if I may make an announcement, Industrial Relations will meet as a Committee Tuesday, June 15th, 10:00 a.m. and 8:00 p.m. in Room 254 to consider bills referred; Law Amendments, Thursday, June 17th, 10:00 a.m. in Room 255 to consider bills referred.

**MR. SPEAKER:** Order please. The time being 5:30, the House is adjourned and will stand adjourned until 2:00 p.m. tomorrow afternoon. (Thursday)