



Second Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, 13 May, 1983.

Time — 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions
... Reading and Receiving Petitions ...
The Honourable Member for River East.

MR. P. EYLER: Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same, and asks leave to sit again.

I move, seconded by the Member for The Pas, 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 Questions, may I direct the attention of honourable members to the gallery, where we have 36 students of Grade 6 standing from the Ruth Betts School. They are under the direction of Miss Jane Mott. This school is in the constituency of the Honourable Minister of Housing.

There are, I think, 17 students of Grades 11 and 12 standing from the Teulon Collegiate under the direction of Mr. Alvin Reinsch. The school is in the constituency of the Honourable Minister of Consumer and Corporate Affairs.

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

ORAL QUESTIONS

Deer Lodge Hospital - Unions

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, my question is to the Honourable Minister of Health, whom I welcome back from his recent bout of illness; I don't think I have had the opportunity to do that until this point.

I'd ask him whether Deer Lodge Hospital is collecting union dues from certain of its employees on behalf of the Public Service Alliance of Canada. I put that question to the Minister of Health in the temporary absence of the Minister of Labour, Mr. Speaker, whether that union is collecting dues on behalf of certain of its employees or whether the hospital is collecting dues from certain of its employees on behalf of that federal union, the Public Service Alliance of Canada?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, I doubt it very much but I'll have to take that as notice. I know that

the hospital, the commission was aware that the choice is being made to change unions but, as far as collecting dues, this is something new to me and I'll have to take it as notice.

Homes in Manitoba Program - housing starts

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, yesterday, the Minister of Housing indicated that only some \$15 million of last year's \$50 million housing program had been spent by the end of fiscal '82-83. The Minister also indicated that a portion of the remaining money had been committed. Can the Minister of Housing indicate how much of the remaining money had been committed at that time?

MR. SPEAKER: The Honourable Minister of Housing.

HON. J. STORIE: I'm sorry, Mr. Speaker, I missed the last part of the honourable member's question.

MR. B. RANSOM: The last part of the question was, Mr. Speaker, how much of the money that had not been flowed had actually been committed by the end of March?

HON. J. STORIE: Mr. Speaker, I would have to take that specific question as notice to get him the actual details. I had indicated yesterday that the \$50 million that was allocated, when the program was announced last August and extended in December to April 30th, was committed and how much was committed by the end of March or into April is a figure that I would certainly undertake to get for the honourable member. But I stand by the figure that the \$50 million was committed by the end of April, the fiscal year ending the 31st of March. I will get those figures to the honourable member.

MR. B. RANSOM: Just a clarification then. The Minister, I believe, said that the \$50 million was committed by the end of March. Was that correct?

HON. J. STORIE: Mr. Speaker, the program was extended to the end of April and that's the figure that I have been using, the date that I have been using. I realize it doesn't coincide exactly with the end of the fiscal year, but the program was extended to that date and that's the date that I have been using.

MR. B. RANSOM: Mr. Speaker, if the \$50 million was committed by that time, then what was transferred to the Jobs Fund? There allegedly was \$34.8 million transferred to the Jobs Fund. The Minister of Housing now says that entire amount of money was committed at that time. — (Interjection) —

MR. SPEAKER: Order please. The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Speaker, the Member for Turtle Mountain likes to distort, likes to totally misinform, but he has just been told by the Minister of Housing that there was a commitment by the end of April to the \$50 million. He knows, as well as anyone in this House, as a former Finance Minister, that's not the beginning of the year; the beginning of the year is the beginning of April. When we announced the fund, we were in February; we didn't know what would be happening in the springtime; we didn't know what would be committed.

What he also forgets to tell the House is that there was more than \$20 million added to the program by this government from the Jobs Fund, and we have never hidden from the opposition the fact that we have taken that portion of the Capital funding that we had allocated to housing last year that wasn't spent, and we took that and allocated it to the Jobs Fund. We've never hidden that from the opposition. For him now to suggest that somehow we've done something secretly is simply, totally untruthful.

Beef Producers - unions

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker. My question is for the Minister of Labour. In view of the fact that the Minister of Agriculture is about to allow beef producers to have the option of not paying the beef checkoff at the time of sale, will the Minister of Labour now consider allowing that same privilege and freedom to union members when paying their union dues and allow them the option to decline the automatic union due checkoff?

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: This is an amazing attempt at logic. I would call it an attempt. I don't see the relationship between the two areas and we certainly don't legislate these sorts of things.

Deer Lodge Hospital - Unions

MR. SPEAKER: The Honourable Member for Fort Garry. Order please.

MR. L. SHERMAN: Mr. Speaker, while waiting for answers to those latest questions, perhaps I could redirect a question to the Minister of Labour that I've put to the Minister of Health a few moments ago. Could I ask the Minister of Labour whether Deer Lodge Hospital is collecting union dues from certain of its employees, on behalf of the Public Service Alliance of Canada?

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: I cannot answer specifically, but I would assume that there is a checkoff procedure in

place. Most unions have this checkoff, not all of them, but most of them do. There are three unions operating in that particular workplace. There is the Public Service Alliance, of course, which the honourable member has mentioned; there is the Professional Institute of Public Service of Canada which is still in place there; and the IBEW which actually only represents one worker but does have representation in that workplace. Whether or not the employer is in a position to be doing the checkoff for union dues is something that we can get specifics on.

Deer Lodge Hospital - takeover

While I have the floor perhaps, Mr. Speaker, I could respond to a previous question asked by the same member and that was, how many grievances had been filed, and that number is 18 in total. Those grievances are being dealt with in a consultative fashion at this point and it is not the intent at this time of either party to take them to arbitration but to deal with them, if they can, through the consultative process while the change-over takes place.

Deer Lodge Hospital - Unions

MR. L. SHERMAN: Mr. Speaker, I thank the Minister for that information but I would ask her how it could be that there is any question as to whether the Public Service Alliance of Canada is receiving union dues through a union checkoff at Deer Lodge Hospital at all? Is it not correct that, as a result of the takeover by the province from the Federal Government at Deer Lodge on April 1st, that the Public Service Alliance of Canada is no longer certified to represent employees at the hospital?

HON. M.B. DOLIN: During the ongoing discussions between management and labour at Deer Lodge Hospital, there has been a clearly stated intent by management to honour contracts that were in existence before they took over the operation of the hospital, which I believe was on April 1st.

There is an application before the Labour Board on the part of some unions to continue to represent employees there and, in fact, to represent a greater portion of the employees there. My understanding is that management wishes to honour the existing contracts and to allow whatever union wishes to certify the various employees to apply for that certification at the end of that expiry of the contracts. That is the particular issue that is before the Labour Board right now.

MR. L. SHERMAN: Mr. Speaker, would the Minister concede that if there is that kind of a temporary arrangement in place, then any dues being collected by the hospital should be held in escrow or in trust and should not be turned over to a union that is no longer certified to represent employees there?

HON. M.B. DOLIN: Mr. Speaker, I will be happy to get a clarification of this issue from those parties working with the committees involved, and we do have a very active group of people now involved in sorting out this

change from federal to provincial jurisdiction, the changes anticipated in union representation and all of the details of this. I do have an update that is about a week old and perhaps something has happened in the meantime. I will get that update from the Labour Board although I wish to remind the honourable members across that when an issue is before the Labour Board it is not wise for us to discuss it publicly because the Labour Board will be making decisions on that particular issue.

Deer Lodge Hospital - takeover

MR. L. SHERMAN: Mr. Speaker, just one final supplementary. I'd just ask the Minister for her assurance that she will investigate that question along with the other questions that are being investigated according to the undertaking of the First Minister with respect to the whole morale problem at Deer Lodge Hospital at the present time?

HON. M.B. DOLIN: Yes, Mr. Speaker, we are keeping a very close watch on this situation. We are actively involved from many different points of view and from several different departments in this issue. There are some solutions being suggested that I think will be welcomed by both the workers and the management. We will keep the members of the House informed as we go along on this issue, although again is not an issue that should be debated publicly in this House, but should be solved by the workers and management.

Manitoba Hydro - appointment of Chairman

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker. I pose my question to the Minister responsible for Hydro and would ask him to confirm that on December 21, 1981, he signed an Order-in-Council appointing Saul Cherniack, the former Member for St. Johns, as Chairman of Hydro at a salary of \$35,000 per annum?

MR. SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Mr. Speaker, that Order-in-Council was filed publicly.

MR. R. BANMAN: Thank you, Mr. Speaker. I have a question of the Minister in charge of the Superannuation Fund and would ask her to confirm that the same Mr. Cherniack receives a pension in excess of approximately \$15,000 a year from the Manitoba Government on top of the \$35,000 he gets as Chairman of Hydro?

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: I'm sorry, Mr. Speaker, if the member could repeat that question again. I assumed he was still discussing the previous employment of a person who was a member of this House and is now

chairman of a particular group. I would like him to repeat the question because I'm not sure of his actual intent.

MR. R. BANMAN: Mr. Speaker, my question to the Minister in charge of the Superannuation Fund was whether or not she could confirm that the former Member for St. Johns, Mr. Cherniack, who was appointed as Chairman of Hydro, is receiving \$35,000 per annum there, and is also receiving a pension of approximately \$15,000 a year from the Province of Manitoba?

HON. M.B. DOLIN: Well, Mr. Speaker, again, I am kind of surprised at the question that is being asked, because what the member is saying is that members of this House are not eligible for the pension that we have in writing.

MR. R. BANMAN: Thank you, Mr. Speaker, I have a further question to the Minister of Finance and would ask him to confirm that last year, in the last calendar year, the same individual, Mr. Cherniack, who gets some \$35,000 from Hydro, and \$15,000 from Pensions, travelled to London, to Zurich, to New York, to Tokyo, at a cost of over \$9,000 to the taxpayers of Manitoba.

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Well, Mr. Speaker, I am sort of embarrassed for the member for this kind of cheap-shot politicking. The travels of Mr. Cherniack were discussed in the Estimates of the Department of Finance this year. Certainly, I would say to the member and to this House and to the people of Manitoba, that Mr. Cherniack, rather than costing us money, saved us money on those trips.

The negotiations he carried on for us, he was our sole representative in Zurich when the pricing for the loan that was done there, at that time, was finalized; he was our representative there. When he was in Tokyo, he was involved with the negotiations and at the end was the person who insisted on a further reduction in the loan rate and, I believe, he was certainly instrumental in saving the people of Manitoba hundreds of thousands of dollars as a result of his travels.

Mr. Speaker, maybe the Member for La Verendrye could explain to this House, what they had John Macfarland doing going to Zurich and London, or indeed, Gary Brickman, who wasn't a member of the government, wasn't a Chairman of a Crown Corporation which was going to borrow money; I would like them to explain what those people were doing on trips overseas?

MR. R. BANMAN: Thank you, Mr. Speaker. In light of the fact that the Order for Return No. 10, filed by this government indicates that my figures of \$9,000 for those globetrotting events by Mr. Cherniack are indeed accurate, I could also ask the Minister who is responsible for Hydro, to confirm that Mr. Cherniack gets a car and gasoline from Manitoba Hydro?

MR. SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Mr. Speaker, the present Chairman of Hydro gets exactly what the Conservative-appointed Chairman of Manitoba Hydro got, Mr. Speaker.

MR. SPEAKER: Order please.

A MEMBER: What a bunch of hypocrites.

MR. SPEAKER: Order please, order please, order. The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Yes, Mr. Speaker, it is rather interesting that the Conservative opposition would stoop as low as they are right now, questioning a person's pension that he has paid into. Let me assure the people of Manitoba that when the present Leader of the Conservative Party is turfed out by his own people and is on the street we will, in fact, pay his pension because he paid into it. We would never talk about reducing anyone's pension. The only people who would do that, Mr. Speaker, are the Conservatives and it's rather unfortunate but they do that; because people pay into pensions, people are appointed to positions.

The previous government appointed people as chairmen, no one ever talked about whether they were getting pensions or not, their terms. We are following the same terms and conditions that existed for their appointees, Mr. Speaker, and for them to get up now and try and attack someone who is not in this House is a type of gutter politics that we are all ashamed of. I am sorry and I regret that they have done this, Mr. Speaker, because it reflects on them, not on the person they are criticizing.

MR. R. BANMAN: Thank you, Mr. Speaker, I'd like to ask a further question of the Minister responsible for Hydro and would ask him to confirm, on top of the travel expenses paid for by the Department of Finance, that some \$5,000 was paid for travel to Colorado; Napa, California; Gillam; Chicago; Minneapolis; and Toronto for Mr. Cherniack?

HON. W. PARASIUK: Mr. Speaker, I find that the Member for La Verendrye's foray into the gutter very amusing and that, as Chairman of Hydro, obviously he would go to Gillam. The Member for La Verendrye wouldn't want him to go to Gillam; I find that astounding. He went to Napa, California; there was a conference there on the export of electricity, so we got some good follow-up leads there. We went to Denver because that's the headquarters of the Western Area Power Administration. We have a Letter of Intent to look at power sales with that entity, Mr. Speaker. Those have been very productive visits on behalf of the people of Manitoba which that gutter type of politician is trying to somehow use to discredit very sincere, honest efforts by dedicated public servants of this province to try and promote the development in this province. We don't need that type of politics being exhibited in this House.

I'm sorry that they are trying to drag the entire Legislature into the gutter, Mr. Speaker, we don't want to do that. We believe that the people in November of 1981 voted for a new type of politics, not the type of politics that they are trying to promote but rather politics

aboveboard. That's the type of politics we will follow, Mr. Speaker. We are prepared to debate issues but, Mr. Speaker, we don't believe that the people of Manitoba back us when we want a higher approach to politics, not the low road that the Conservatives want to tread.

MLA Pensions

MR. SPEAKER: The Honourable Member for Elmwood.

MR. R. DOERN: Mr. Speaker, I would like to direct a question to the Minister of Labour and ask her whether she can confirm that any MLA who has served three terms or eight years in this Assembly and has paid into a pension fund is eligible to receive a pension, and that the Leader of the Official Opposition was eligible and received a pension when he was in private life?

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: Mr. Speaker, yes, that is the pension plan that MLA's have and all of us are eligible under those circumstances, and it is hours like this that in fact make us eager for the day when we might be collecting that pension and not having to be sitting here listening to the diatribes opposite.

INTRODUCTION OF GUESTS

MR. SPEAKER: Order please. I wonder if I might direct the attention of honourable members to the gallery where we have 15 students of Grade 6 standing from the St. Malo Elementary School, who are under the direction of Sister Alarie. The school is in the constituency of the Honourable Member for Emerson.

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

ORAL QUESTIONS (Cont'd)

Apartment building shortage

MR. SPEAKER: The Honourable Member for Wolseley.

MS. M. PHILLIPS: Yes, Mr. Speaker, I'd like to direct a question to the Minister of Housing. In view of the fact that the vacancy rate in the City of Winnipeg is extremely low, in fact, I believe just over 1 percent, could he indicate what hope there is in the City of Winnipeg for increasing the number of apartment buildings in our area? I'd like to indicate that I represent an area that's very heavily covered by renters and we're most concerned and could he please indicate, specifically in the downtown area, what kind of projects are being contemplated?

SOME HONOURABLE MEMBERS: Oh, oh!

MS. M. PHILLIPS: I said what kind of projects are being contemplated for rental housing in the inner City of Winnipeg?

MR. SPEAKER: The Honourable Minister of Housing.

HON. J. STORIE: Thank you for a very good question, certainly one of the first good questions of the day. Mr. Speaker, the vacancy rate obviously is a concern and I think that we are hearing some heartening news despite the fact that the vacancy rate is indicated at 1.4 percent. CMHC projections were that the vacancy rate would actually fall to 1 percent. The fact is, and CMHC acknowledges this, that the Homes in Manitoba Program which has put 1,000 people into new homes has had a significant impact on the rental vacancy and has resulted in it remaining at 1.4.

Mr. Speaker, obviously, there are a number of things that one can do to ease the rental vacancy problem and certainly putting people who are renters into new homes is one of those ways. I should indicate as well, Mr. Speaker, that there are two related aspects to the vacancy rate. One, of course, is the number of new units being constructed, those being taken out of the market and the other factor, of course, is the population. CMHC also recognized that Manitoba is experiencing a significant increase in its population. Mr. Speaker, it appears that Manitoba is now the "greener pasture."

Mr. Speaker, in 1977 through '81, Manitoba was not "greener pasture"; there were others. Now, Mr. Speaker, people are coming home, Manitoba is the "greener pasture" and as a result we're experiencing that rental vacancy problem.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. J. STORIE: I should indicate, Mr. Speaker, as well, NDP times are good times. I should indicate as well, Mr. Speaker, that the opposition are always a little hesitant, a little reluctant to have the good news. Mr. Speaker, the other aspect, the construction, I would like to confirm that 1982, which the members opposite have taken some pleasure in pointing out as being a poor year for construction starts, saw the construction of 655 apartment units. We can compare that quite favourably, Mr. Speaker, to the 140 units we saw in 1981.

Mr. Speaker, in addition, CMHC is predicting that there are going to be approximately 1,600 units of rental apartment construction in Winnipeg in 1983.

Homes in Manitoba Program - housing starts

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Thank you, Mr. Speaker, my question is to the Honourable Minister responsible for Housing. In view of the information he gave us about Manitoba being a greener pasture, and in view of the fact that there are now 52,000 unemployed people in Manitoba - the figure was adjusted just a few days ago - and in view of the fact that the government is looking for a new logo and a new approach to promoting Manitoba, is he now suggesting that the new approach for Manitoba's advertising campaign will be, "come back and enjoy unemployment in Manitoba with a government that understands you?"

HON. J. STORIE: Mr. Speaker, those questions are based on two fundamentally ludicrous propositions.

No. 1, is that the unemployment rate isn't any worse than anywhere else. The fact is the unemployment rate in Manitoba is in a very favourable position with respect to other parts of the country.

No. 2, the unfortunate premise that's the basis for that question is that somehow the activity in the housing industry is not contributing to the decrease that we're seeing in unemployment in Manitoba.

I indicated yesterday that there's 3,500 people been employed by the Homes of Manitoba Program building housing units, putting renters into affordable homes. Mr. Speaker, we're accomplishing a number of things in this program.

We're accomplishing putting people to work, increasing the vacancy rate, providing a vacancy rate that allows for some more competitiveness in the marketplace. Mr. Speaker, I don't accept the premise that the question was based on, or the accuracy of the question.

MR. G. FILMON: Mr. Speaker, before the Minister breaks his arm patting himself on the back with respect to their new housing program, I wonder if he could confirm that in the first full year of the Conservative Government in 1978, total housing starts in Manitoba were in excess of 12,000, whereas in the first full year of the New Democratic Government, 1982, housing starts in Manitoba were 2,030.

HON. J. STORIE: Mr. Speaker, I can confirm that the first year the Conservative Government came into power there were a significant number of housing starts. I can also confirm, Mr. Speaker, that 1977 event marked the beginning of a tremendous slide that went from a significant number of housing starts in the thousands, to 1,000 in 1980 and continuing to decrease until 1982 and the introduction of the Homes of Manitoba Program.

MR. G. FILMON: Mr. Speaker, can the Minister confirm that the slide was not the full slide that he said, and it did not continue to go down in 1981? In fact the number was 2,824 in 1981, and that this year with his projection of massive increases in starts, the province will still not see half the average number of starts that were made in housing each year through the '70s.

HON. J. STORIE: Mr. Speaker, I will acknowledge that housing starts across Canada have seen that slide. What I do say and what I maintain and, Mr. Speaker, the member can suggest that I'm patting myself on the back, not at all. Mr. Speaker, the facts are there. The 1982-83 building seasons are an improvement over what we saw during 1981-82. Mr. Speaker, the other question is, what does the government do when it encounters a problem?

I've indicated before that we weren't prepared to sit on our hands. We did something constructive.

Mr. Speaker, I can also indicate that the program that was introduced in Manitoba has now been virtually adopted as is by the Province of Quebec, recognizing as many Canadian authorities in housing have, that this is a significant program and a very well thought out one.

Broilers' Board - Production Limit

MR. SPEAKER: The Honourable Member for Morris.

MR. C. MANNESS: Thank you, Mr. Speaker, I'd like to address my question to the Acting Minister of Agriculture, whoever that is.

Thank you. To the Acting Minister of Agriculture then, Mr. Speaker. I understand that the Manitoba Natural Products Marketing Council is considering reducing the exemptions from 1,000 to 200 broilers, the level at which registration is required under the regulation of the Broilers' Board. I'm wondering if the Acting Minister and the government are prepared to support this recommendation, should it come forward?

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

HON. J. BUCKLASCHUK: Yes I shall bring that question to the attention of the Minister of Agriculture and provide a response as soon as possible.

MR. C. MANNESS: Mr. Speaker, I'm sorry I didn't hear totally the answer. He's taking it as notice? I'm wondering then if that Minister or any of the Ministers can indicate what rationale may have changed over the last 10 or so years so as to require the reduction in exemption, bearing in mind that some 160 producers who produce under that 1,000 limit and who supplement their income by doing so, will be forced out of business. Again I'm wondering how that falls into the argument in supporting the family farm concept. So I would hope that either of the Ministers could make comment on that, or take it as notice.

HON. J. BUCKLASCHUK: While not agreeing with the conclusions that were made by the Member for Morris, I will bring that to the Minister's attention and a response will be provided.

Payment of Wages Fund

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, my question is to the Minister of Labour. It has to do with a problem that has been on her desk for some months now concerning the payment of wages to a group of young people in my constituency. I would ask the Minister if she can give us an update as to the progress that's being made, and hopefully advise the House that these people have been paid out of the Payment of Wages Fund.

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: Mr. Speaker, I will check on the progress of that particular problem and report to the member on Monday.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, would you first call the Second Reading on Page 5 on Bill 43, and subsequently I will call some debate on Second Readings.

SECOND READING - GOVERNMENT BILLS

BILL 43 - TRANSPORTATION OF DANGEROUS GOODS ACT

HON. S. USKIW presented Bill No. 43, The Transportation of Dangerous Goods Act; Loi sur le transport des marchandises dangereuses, for Second Reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

HON. S. USKIW: Mr. Speaker, in introducing this bill, I want to make the point that this is one action, on the part of one province in Canada, which will help bring together a Legislative and regulatory system that will be uniform throughout Canada, and pursuant to obligations which provinces undertook at previous conferences with the Government of Canada, to make this happen so that we have a system of transportation, with respect to transportation of dangerous goods, that is uniform and, indeed, it has the hope built into the legislation, and the framework within which we will be able to also complement and work with international agencies as well, namely, the United States.

Mr. Speaker, the members opposite may be aware, and certainly the former Minister for Transportation, one or to of them that are still present in this Chamber, would be aware that this proposition has been coming along for some period of year and I know that they have participated in conferences that brought us to this point; and I assume from that they played their positive role in moving this along and, of course, would be, in principle at least, supportive of the legislation that we are bringing forward.

Members opposite, Mr. Speaker, will recognize that - all members in fact should recognize - today we have many more chemicals that are produced daily almost; certainly every year there's an added list of chemicals that could be described as dangerous commodities under certain circumstances, and that the movement of those commodities have to be regulated in a way that will protect the public. I don't believe that there is anyone that would want to disagree with that desire.

We have had in Manitoba a number of incidents over the years, but certainly in recent times, which could have been problems for us, which could have caused injuries or even fatalities. Fortunately for us we have not had a fatality as a result of dangerous spills or incidents in transportation of these goods throughout the province and across the province, but we have been fortunate in that, Mr. Speaker. We believe that we must tighten up the rules under which these commodities move through the province, in order to make certain that the public is protected to the fullest degree that is possible or indeed practical, and that's essentially what this bill entails.

The public of Manitoba, I believe, are very much concerned because of the fact that we've had such

major problems, such as, the Mississauga derailment, the MacGregor and Austin derailments in Manitoba. Although we didn't have injuries, the potential was there for injuries and, indeed, for fatalities, and we believe that the people of Manitoba are indeed prepared, and, in particular, those in the industry of transportation recognize and are prepared to co-operate with us in bringing forward the necessary legislation and regulations that they must function under.

These discussions, however, date back to about 1975 and the Government of Canada, Mr. Speaker, didn't move with their legislation until 1980 and, indeed, not until after the experience of Mississauga, and I would have to say that probably that one incident was the basis for quite speedy action on the part of Transport Canada to move in this area, where they have brought forward a comprehensive bill covering all modes of transportation, that is, with respect to dangerous goods; and subsequent to which they have asked the provinces to pass complementary legislation.

We, in Manitoba, of course have jurisdiction over highway transport and that is our role in introducing this bill, to bring into line the Department of Transport in Manitoba with that of other provinces and the Government of Canada.

We still have not had a completely developed set of regulations by Transport Canada, Mr. Speaker, and I'm sure members opposite - some members at least - must be aware of that, but we have overcome, by and large, a lot of the problems of putting together a set of regulations that are practical and acceptable to the industry and, indeed, to the various jurisdictions, and we're at the stage where we think we will have something that is fairly comprehensive and which can be applied fairly soon. But we appreciate the fact that it did require a great deal of consultation between the Government of Canada, Provincial Governments and, indeed, our staff have been working on this for some period of time.

Indeed, the consultative process had to, by the very nature of this issue, involve the people in the movement of goods across the highway system in Canada. So we have met with various companies; we have met with the trucking association, the Industrial Traffic League, the Canadian Manufacturers Association, who are the manufacturers of many of these commodities and, through that process, have been able to put together the kind of regulation that we think will work and will be not too expensive to implement.

So the legislation will provide us with the ability to conform to national initiative and standards and will also enable us to allow the cities and municipalities in Manitoba to pass similar bylaws to conform and comply with these requirements, where they have the jurisdiction over their street system, Mr. Speaker.

The Mayors and Reeves of Manitoba have been consulted and are being consulted on this issue and over a period of time we expect that, after we have the regulations in place, that most towns and cities will put in place the necessary framework for the proper movement of dangerous goods, either around or through their communities.

The proclamation date, of course, we want to allow, in that regard, Mr. Speaker, enough time for the industry to make the necessary adjustments and it's not a case where we want to impose something overnight. This

industry people have to have sufficient notice in order to be able to meet the requirements of our regulations and it is intended that we move very cautiously and in a way which will be relatively convenient and acceptable to everyone that is involved.

There are a number of areas that I would want to touch on. One is the effectiveness of this Act, will be of course the results of mechanisms that we establish obviously, and one of them has to do with a proper manifest system that would be recognizable throughout the country. That is, in our opinion, Mr. Speaker, an essential part of this process, that is, the uniformity of identification, so that on an instant an inspector or anyone handling commodities would be either trained or knowledgeable in the way that would allow him or her to recognize the commodity that they are dealing with without having to go through a tremendous amount of red tape, if you like, inspection and so on. It is going to require a degree of training. The system of placarding is another aspect of it, so that ready identification can be made and which will minimize the inconveniences to the movement of traffic in this area.

The people involved in the enforcement side, the police, will have to be made fully aware of these regulations. The various inspection people throughout the municipal and provincial system will also be informed, brought up-to-date as to what is expected of them in their role in pulling all of this together, so that we do have uniformity of enforcement throughout the Province of Manitoba and indeed the various municipalities.

Mr. Speaker, I believe that this particular piece of legislation, and I know the members will make the points, so I am going to make the point now. The nuts and bolts of this legislation are going to be the regulations. I know — (Interjection) — that's right, the Member for Lakeside says we're doing it again. I know that we cannot legislate, we can not anticipate by legislation, every need in order to bring about the desired result. Therefore, we have to have within the bill powers to introduce regulations by Order-in-Council in order to be able to respond to the need from time to time and, as our experience dictates to us, Mr. Speaker, that we must make adjustments from time to time. I assume members opposite will appreciate that point. I know that every time we do this, Mr. Speaker, there is always the urge to say it's government by regulation; the Legislature is being bypassed. But, Mr. Speaker, I don't know what other mechanism we can put together which involves the 10 provinces and the Government of Canada other than the regulatory system.

I don't believe, and members I know must appreciate this point, that legislative framework is very cumbersome, very slow to put together, if it were to deal in very specific terms in a way which we might desire, but which is impractical for federal-provincial co-operation. It's our hope that members opposite understand that point.

MR. H. ENNS: You can build the checks and balances into that legislation.

HON. S. USKIW: Well, yes, Mr. Speaker, the Member for Lakeside is right, we can build with checks and

balances into the legislation. But in the end, Mr. Speaker, we must have the authority to enforce the rules, whatever they are going to be, and they will be rules that are set down by the Government of Canada, and which the provinces, I believe, all the provinces, are going to accept as part of their regulations.

So whatever the regulations are down the road after the Act becomes law, it will be part and parcel of that federal-provincial process that has been ongoing for some period of time and will conform to the needs of the nation as a whole, Mr. Speaker. It will not be peculiar or somehow apply to Manitoba alone; it will be complementary to what is happening on both sides of Manitoba and indeed the national interest.

So, Mr. Speaker, I invite members opposite to support the legislation; I think it is long overdue. We have been fortunate, as I said earlier, in that we haven't had serious accidents or fatalities as a result of not managing the transportation of dangerous goods on our highways to this point in time in a way that would be most protective of the public. We believe that this is probably the first phase of that, and as we gain the experience we will be making some changes along the way. The costs of this method, we are told, are not horrendous. The industry people seem to concur that they can live with the package that is being proposed and, Mr. Speaker, we will learn by our experience.

In the United States, they have had some experience in this area. We are in fact working with them in order to have international co-operation. Our staff - we have only two people working on this as members are aware - have met with American officials to learn from their experience, hopefully for our benefit, Mr. Speaker. It is that kind of co-operative approach that we intend to carry forward with this legislation.

Thank you very much, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Mr. Speaker, I beg to move, seconded by the MLA for Lakeside, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, would you please call the debate on second readings in the following order, Bills 2, 3, 50, 4 and 12?

ADJOURNED DEBATE ON SECOND READING

BILL NO. 2 - THE LAW ENFORCEMENT REVIEW ACT

MR. SPEAKER: On the proposed motion of the Honourable Attorney-General, Bill No. 2, standing in the name of the Honourable Member for Tuxedo who has 10 minutes remaining.

MR. G. FILMON: Thank you, Mr. Speaker. In putting my final thoughts on the record, I'll try to proceed

quickly in dealing with the number of areas of concern as I see it with the bill. The discipline code that is listed in the bill, for instance, Mr. Speaker, contains a series of acts or omissions which should probably more properly be dealt with through internal disciplinary proceedings. I realize that the rationale and the basic and fundamental concerns that were highlighted in bringing this legislation forward were cases of unnecessary violence or use of excessive force. It seems to me that the disciplinary defaults contained within the bill should be oriented to that type of complaint. Having a completely new process to deal with a complaint, such as being discourteous to the member of the public, I think, could only lead to a breakdown in the department discipline and morale of police departments.

Another area that I believe is a fundamental weakness is the inability to appeal a decision of the Law Enforcement Review Board on the merits. I think that's a marked difference from normal procedures of administrative tribunals that are set up. I realize that this is a quasi judicial tribunal, but I also acknowledge that it has been done by legislation of this government in the past and I think it is causing some serious concerns. I am talking in terms of the fact that there is no appeal from a decision of the Rent Regulation Review Panels. I am constantly getting calls, as the critic responsible, for the fact that it cannot be taken any further. People, who assume things are going to be covered in a hearing, don't attend and, by default, they have no method of appeal. I believe that this is a fundamental weakness in this field, as well.

I also believe that there is no case that can be put forward, in my view, that says that third parties can make complaints to the Law Enforcement Review Board on behalf of somebody else. Unless we're dealing with somebody who is physically or mentally incapable of complaining themselves, I don't believe that we should leave it open to public interest groups, and particular, other groups who might look for ways in which they can get back at the law enforcement process of this province or this city or various municipal jurisdictions. I believe that, fundamentally, is something that shouldn't be allowed, unless as a result of the physical or mental incapacity of the individual who was wronged in the eyes of somebody.

Another area is the fact that the bill - I'm really questioning this area - indicates that when the commissioner does his review of the matter of complaint that he then must sit down and review his findings. If his recommendation is not to proceed, or not to recommend disciplinary action or a charge or whatever, that he must satisfy the complainant of the process that he has taken. It seems to me that gives the appearance of a deck stacked against the policeman when, after a complaint is lodged and it's reviewed by the commissioner, he then doesn't have to bring all the parties together, he just has to get together with the complainant, or his counsel, and say, this is why I'm not proceeding on this basis. It seems to me as though the implication is that you've got to satisfy the complainant but to heck with the police officer. I think that will lead to some serious problems, certainly in the morale and the trust of the police toward this law enforcement review process.

I also believe that giving the commissioner's report in toto, and recommendations to the Board, before

they have the whole file in front of them, will be in a way a prejudicial kind of procedure. The Board gets the recommendation after the commissioner's done the review and he says he recommends this discipline and maximum penalty of this; it's almost a fait accompli. I think it will be difficult to overcome the weight of the commissioner's report when that is presented to them. I believe that the whole case ought to be presented to the Board and, almost as a final kind of process, that they then see what the commissioner has recommended before their minds are made up. I think there is a great possibility that will prejudice the whole procedure.

The other area that I think ought to be considered is the fact that I don't think the Act provides for protection of the employing authority, that is, the City of Winnipeg, against a judgment or a decision of the Law Enforcement Review Board. In that case, I believe that they ought to be held saved harmless from actions by the police officer for a decision of the Law Enforcement Review Board. In their collective agreements they may have certain things that would allow for a grievance to be brought and, if the grievance is brought as a result of a law enforcement review decision, I think that the city is going to be in jeopardy for a situation that they have not caused. I think that's an area that ought to be addressed before we come to committee on his matter.

In looking at other matters, Mr. Speaker, I have before me a copy of the letter that was sent by the City of Brandon to the Minister. They point out their concern about the fact that they have so many different police forces in their area, more than I had even realized. I recognize the RCMP and its jurisdiction over much of the province, but they have the Camp Shilo Military Force; they have the Dakota-Ojibway Police Force and other forces which don't appear to be covered by this Act, and I don't believe will be. Maybe the Dakota-Ojibway will be, but that's an area that it seems to me if you're going to have a set of rules and regulations that concern police in this province, they ought to be as universal as we can possibly make them. I know that the Supreme Court has decided that we can't impose this sort of legislation on the RCMP. I believe that should indicate to the Attorney-General that there's a problem, and that maybe we ought to strengthen the existing systems, as opposed to going to the super system that's being proposed. I'll leave that with him as an area of genuine concern, not only on my part, but I'm sure on the part of the various police forces that will be covered by this Act.

As well, I think that other matters of concern, the admissibility, the fact that in these hearings they can use evidence that would not necessarily be admissible in a court of law to me doesn't seem to be reasonable. If the evidence would not be admissible in a court of law, why should it be taken into account when we're dealing with very serious matters of discipline, of complaints against individual members of the police force. If we're not going to act in a parallel way to the court system, why do we supersede the court system and not allow appeals to the court system if we've used evidence that might not be admissible in court. I think that's an area that the Minister ought to deal with.

The overall question of why the Board hearings must be public, unless a party applying can satisfy the Board; that is, the party who's, I suppose, making the case,

in this case it's probably the complainant, although I suppose the Minister intends to allow the same opportunity to the person against whom the complaint has been lodged; why it must be in public, unless it can be satisfied that in the interests of the administration of this Act it must be held in private. I don't understand that because we have evidence over and over again of government decisions not to carry out investigations in public. Here's one, the Minister of Government Services, with reference to a matter that's before him now. The headline is "No police; Government Keeps Probe Internal." I recognize that since then it's been turned over the RCMP but, as well, it will not be done in public.

HON. R. PENNER: That's the investigation.

MR. G. FILMON: Yes. This whole matter is going to be carried out in public. — (Interjection) — The Minister of Government Services wants to interject. He operates as a fool and he responds as a fool and I'll take his responses as such. The government keeps contradicting itself; it makes one set of regulations and laws for its own purposes, and another when it's dealing with somebody else's livelihood and the administration of somebody else's right to employment in this province.

Finally, there was an area of concern that was laid before the Minister by the people from Brandon. Their area of concern was that something that had to do with a member of their force, the hearing ought to be held in their area; it ought not to be held in Winnipeg. I think that sounds like a minor concern, but it seems to me that it ought to be done in that way.

In summary, the Minister in introducing the bill said that it would promote a high standard of professional conduct among police officers in Manitoba. I suggest that many of the provisions of it will work just the opposite; that, in fact, it's going to have a negative effect on the operations of the police forces; that they're going to feel threatened and they're going to feel that this is a matter that will interfere with their opportunity to properly carry out the conduct of their duties. He said that it would guarantee each citizen of Manitoba opportunity to independent investigation or review of complaints against municipal police officers.

I suggest that we already have that through the mechanisms in place through the Winnipeg Police Board, the Manitoba Police Commission. All of these things have citizen representation, opportunities for legal counsel to represent them, and all of those things that I believe would carry on just as efficient an investigation. He said it would provide a mechanism for the resolution of complaints in a manner that is fair both to the police officers concerned and to citizens, and we have indications, in my view at least, of some unfairness. The decision only to be discussed with the complainant after the Commissioner has dealt with it is not a fair one.

So I say there are many weaknesses in this bill; I say it was drafted in haste, brought in without due consideration. I say that there's at least cause for major, major changes, if not withdrawing the bill, Mr. Speaker. Thank you very much.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, I move, seconded by the Honourable Member for Lakeside, that debate be adjourned.

MOTION presented and carried.

BILL NO. 3 - THE FARM LANDS OWNERSHIP ACT

MR. SPEAKER: On the proposed motion of the Honourable Minister of Agriculture, the Honourable Member for Swan River.

MR. D. GOURLAY: Thank you, Mr. Speaker, the Farm Lands Ownership Bill, as far as I'm concerned, I cannot support it mainly because it's too restrictive to Canadians generally, and it's also restrictive to some Manitobans who may own land now and would like to own land in the future. Any concern that has been expressed to me in recent years - when I say recent years I would say in the past decade - has been the act to curtail foreign speculation in this province, the foreign land speculation in Manitoba.

No doubt, this problem did surface during the 1970s and it did provide some reason for concern for a few years; however, in my opinion, foreign land speculation has not been a problem in recent years in this province. As a matter of fact, it would be interesting to know just how many foreign land owned acres have been disposed of in the recent months, perhaps, the last year. I know I've talked to a number of real estate agents about this problem and they say that they know that there is a lot of foreign-owned land that is being offered for sale at the present time.

I would just make brief reference to an article that was in the April 28th issue of the Manitoba Co-operator and it's headlined "Fork River Corporate Farm hit by Economic Downturn." Just a quote from the article: "Even foreign owners of farm land in Manitoba have been hit hard by the economic downturn according to the general manager of a corporate farm here which recently underwent a complete dispersal sale of equipment. Prices at the two-day sale, April 11th and 12th were very good on the average, said Mr. Schmit, General Manager of Felmak (phonetic) Holdings Limited."

The article goes on to say that, "Schmit came to Fork River in 1976 from Switzerland, his background includes six years of university level training in agriculture. Operating without debts on the land or equipment and planting a variety of grain and oilseed crops, Felmak still couldn't catch up with the expenses, said Schmit." He added, "It was not worth running another couple of years." The article goes on further, "Family farms may be in a better position to survive, the family may be able to choose to work for nothing, but you can't tell employees there's no money to pay them, he explained. Schmit said he personally knows of three other corporate farms in Manitoba in serious trouble. They won't survive another bad year. I don't think big farms have a future in Canada unless market prices come up or government provides support."

We know that with the economic situation we've been in in recent months that even the foreign land speculators can't make a go of it and they're trying to

unload the land that they've purchased back previously. So, I ask why is this government and this Minister of Agriculture bringing in this legislation which is targeted primarily at Canadians? It's readily identified, substantiated, that foreign land speculation is not an item at the present time that by bringing in Bill 3 we're primarily, or pretty near totally, restricting Canadians who do not live in this province from purchasing land in Manitoba. Obviously we don't have a problem with foreign speculation certainly at this time.

I would say our No. 1 problem today in Manitoba is this NDP Administration. Never before in our history have we had such a disaster facing our farmers in this province.

HON. R. PENNER: Scarcely ever.

MR. D. GOURLAY: Well, the Attorney-General says scarcely ever. The farm bankruptcies have been up some 380 percent during the last year over the previous year and, remember in the fall of 1981, what were the NDP promising the farmers of Manitoba and the businessmen of Manitoba? They said that they would turn around the harsh economic situation that was facing Manitobans and no farmers, or no businessmen, would lose their farms or businesses because of the high interest rates or the economic situation that was facing Manitobans back in the fall of 1981.

Well, farmers and businessmen have been declaring bankruptcies under this NDP Government like they've never done in the history of this country. The Minister of Agriculture has spent more time friggin around with, last year it was Bill 54, I believe, and I think that when he scrapped that one he should have laid the thing at rest but, no, he didn't do that he has now brought in Bill No. 3 which the majority of people, especially farm people in Manitoba certainly don't support.

I'd like to refer to the Minister of Agriculture's speaking notes used at a press conference dealing with Bill No. 3. The Minister said, and I quote from his notes: "In withdrawing the Act from the last Session I undertook a commitment to consult with farmers and other residents of Manitoba in order to obtain their views before reintroducing it." Well, who did the Minister of Agriculture consult with? Maybe a few specific groups that he deals with on regular occasions, but certainly the vast majority of farm people in Manitoba, in my opinion, do not support Bill No. 3. He goes on to say, "in contrast to the general prohibition section contained in the previous Act Bill 3 affirms the right of all Manitoba residents to own an unrestricted amount of farmland in the province. Certainly corporations have to have a majority of farmers on their board or they can't own unrestricted amounts of farm land in this province."

The Minister says before a divestiture order can be proceeded, anyone affected by such an order is entitled to a hearing. So then this brings up another question that's contained in the Act, is that a Farm Ownership Board will deal with the problem. Who will fill these positions on this Farm Ownership Board? Will they be NDP political hacks who generally support state farm ownership; another question that's to be asked is, what will be the powers of this board; what will be the powers of this Farm Ownership Board and will this board decide who should own farm land in this province?

I would also like to know what is the position of this Minister and this government on rights of farmers to own property in Manitoba? I have a headline here in a recent bill that was brought in in the Federal Government. It says, "NDP derails bid to entrench property rights," and they fudge around the issue saying that they really support it but they didn't have a chance to caucus it properly, but I think the message is clear that the NDP have been fudging on the right to entrench property rights in the Constitution for a long time.

Why are we, by this bill, attempting to restrict Canadians to own farm land in Manitoba? I think that's the question that has to be asked. The same issue of the Co-operator, February 28th, there's a headline there, "Foreign ownership of farm land increases - U.S. Department of Agriculture," and just to quote briefly from that article, the article says, "U.S. agricultural land owned by foreign interests increased to 13.5 million acres, or slightly over 1 percent of total U.S. agricultural land, during 1982, from the 12.5 million acres a year earlier." The article goes on to say, "Corporations own 83 percent of the foreign-held acreage, partnerships 9 percent, and individuals 6 percent, with the remaining land by estates, trusts, associations, institutions and others," the U.S. District Attorney said. "Non-U.S. citizens from Canada, United Kingdom, Hong Kong, West Germany and the Netherlands Antilles own 75 percent of the foreign-held acreage. Except for Maine, foreign holdings are concentrated in the south with 34 percent, and the west with 31 percent. Rhode Island is the only State with no reported foreign-owned agricultural land," the department said.

So the U.S. apparently are not overly concerned about the amount of foreign ownership of farm land in that country, and I really think that this bill really has other motives.

I wish to refer to Page 3 of the Minister's speaking notes that I referred to briefly earlier, and to quote the Minister, he says, "Are we concerned with costs of absentee ownership, including the escalation of farm land prices which has contributed to the current financial crisis faced by Manitoba farmers? Absentee ownership has been shown to be directly responsible for inflating land prices by as much as 12 percent-25 percent in municipalities with significant non-resident purchases."

A person, I think, tends to assume that when referring to absentee ownership, as referring to foreign land speculation, especially when that is being identified as the problem. When my colleague, the Member for Morris, was speaking on this bill a few weeks back, he made reference to his discussions with Professor Kraft from the University of Manitoba, the author of the report, from whom the Minister of Agriculture quoted statistics, and in order to get the high percentages of absentee ownership figures for several municipalities, it included anyone who had a mailing address outside of that particular municipality.

This was a letter to my Leader from the Minister of Agriculture supplying information on the statistics of foreign ownership, and he lists the municipalities here. The Municipality of Macdonald and the percent of farm land owned by absentee landlords, and in Macdonald there is 20 percent; Franklin, 21 percent; Portage la Prairie, 21 percent; De Salaberry, 21 percent; Ste. Anne, 22 percent; St. Clements, 25 percent; St. Laurent, 25 percent; Eriksdale, 26 percent; Rosser, 27 percent and La Broquerie, 60 percent.

These municipalities that the Minister of Agriculture has chosen to list, and the percentages that he has given, has some significance because it is interesting to note that Professor Kraft established, in his studies, that under 20 percent absentee ownership had absolutely no influence on land prices. Apparently the main reason for carrying out the research was to find out at what level absentee ownership had an impact on land prices at under 20 percent and the answer, of course, is that Professor Kraft determined was that it had no influence at all, that nowhere has the Minister of Agriculture made reference to that fact.

The constituency that I represent includes the Rural Municipality of Swan River and I would just like to quote the figures of absentee ownership. The first one is the RM of Minitonas, which makes up part of the Swan River Constituency, and the total area of the municipality is 257,000 acres, of which there's 222,000 acres of agricultural land, and the non-resident, foreign acres is 1,579 acres, or .71 percent, and the non-resident Canadians makes up just a little over 6,000, or 2.79 percent; so that acres owned by Manitoba people is 97 percent in the RM of Minitonas.

In the Local Government District of Mountain, the non-resident foreign acres is 1.03 percent, and the non-resident Canadian acres is 4.79 percent. So the total amount of land owned in that LGD is 94 percent. Now we come to the remaining portion of the constituency, which is the RM of Swan River and the non-resident foreign acres is one-fifth of 1 percent, and the non-resident Canadian-owned land is only 3.5 percent. So in the R.M. of Swan River, we have over 96 percent of the land as retained by Manitobans.

I think you could only assume from the Minister's comments that through the passage of Bill No. 3, he wishes to depress the price of farm land. The price of farm land in many parts of this province, I understand, has already dropped by some extent.

A MEMBER: By 30 percent, it has dropped.

MR. D. GOURLAY: I don't think that we have been affected in the Swan Valley area by depressed land prices at the present time, but I don't think there is very much land changing hands at this time.

But again, if you have an opportunity to talk to real estate people throughout Manitoba, I think that most of them will tell you that the price of farm land is not nearly as high today as it was say this time last year a not only that, prices are lower but there's not much land changing hands either.

One thing that the Minister of Agriculture should be aware, and I am sure that he is aware, that if farm prices undergo a big drop, this could spell further disaster for a large percentage of farmers who have for the most part - I would say many farmers have borrowed substantial amounts of money - and certainly any decrease in the value of their land represents a decrease on their equity. Certainly, it jeopardizes their position in financing their farm operation.

Well, obviously this government wants the right to determine who should own farm land in this province. I really believe that they are anxious to get back into the land-purchase themselves.

I can quite well remember the 1970s when farm land prices were depressed. I think in 1970 the Federal

Government brought in Operation LIFT, which was Lower Inventory For Tomorrow, to encourage farmers to get into summer fallow and out of wheat production; and generally farm land, the prices were very depressed in the early '70s and farm land was not really moving. I can recall so vividly how the Government of the day appearing so innocent, got into the Land Lease Program and I am sure that we can all remember this and they said, we will not compete with anyone else who wants to buy land in the province. We'll give you a fair market value for your land if you wish to sell it and not only that we'll lease it back to you at very reasonable terms. I believe it was also said, why own it when we can give you a real generous offer by buying your farm and then leasing it back to you.

But once the government purchased it, they did nothing to really encourage young farmers to be able to purchase this land back again. As a matter of fact, the Manitoba Agricultural Credit Corporation went out of the lending business and certainly they made no attempt or did not encourage young farmers to buy back land that they were leasing to them. They said, there is no point in you owning the land when we can give you such a good deal on it.

So what happened, the government ended up serious contenders for many parcels of land. They caused the escalation of land prices probably more than did foreign land speculation. I know that Saskatchewan brought in a similar situation I think prior to Manitoba. They restricted farm land, but during those years I recall that farm land in Saskatchewan probably was running higher than prices in Manitoba. But anyway, the Land Lease Program accomplished the purpose for which it was intended. It got more acreage into state ownership and that's what this government is all about in my opinion.

I know that some of the NDP conventions in the past, there's been resolutions that all Manitoba farm lands should be publicly owned. — (Interjection) —

Someone mentions, did those resolutions pass? I don't think that is the important thing at this point. I think the fact is that many NDPers would like to see the land of this province owned by the state. So, I don't think that this situation has changed at all.

Swan River consists — (Interjection) — . . .

MR. A. ANSTETT: Would the member permit a question?

MR. D. GOURLAY: Sure.

MR. A. ANSTETT: Mr. Speaker, in view of the suggestion by the honourable member that New Democratic Party conventions have considered resolutions advocating the complete public ownership of agricultural land in the province and I would certainly concede that such resolutions have been proposed. Would he confirm for this House, just to keep the record straight, that none of those resolutions have ever been passed by the New Democratic Party?

MR. D. GOURLAY: I don't care what happened to their resolutions after they're put to a vote. The question is, that there is a heck of a lot of NDPers out there that favour public ownership of land in this province.

Mr. Speaker, a short time ago, I ran an ad in my local newspaper — (Interjection) — . . .

MR. DEPUTY SPEAKER: Order please. Order.

MR. D. GOURLAY: Well, Mr. Speaker, I allowed the Member for Springfield a question, and I answered it. Now he won't shut up. I wonder if you would just quiet him down a little bit.

MR. DEPUTY SPEAKER: Order please.

MR. D. GOURLAY: Just a short time ago, I ran an ad in my local Swan River Star and Times newspaper asking many questions about 1983 legislative issues. Anyway, this questionnaire appeared in the Swan River paper and I will have to give credit for proposing the questions to my colleague the Member for La Verendrye. He had run this ad previously. I thought there was some good questions, and I ran it as well. They were good questions and I know that it really irks the members opposite because they were really concerned about this kind of extension method of relating to constituents.

But the question of farm ownership is very interesting because the Swan River constituency is in the far northwest or medium far northwest; and Provencher is in the southeast, completely different areas. The makeup of the areas are completely different. But the situation in the Swan River constituency to the question, should Canadians be allowed to own farm land in Manitoba? And 98 percent of them said yes and 2 percent said no. — (Interjection) — That's right, that's 100 percent; 98 percent of them said Canadians should own land in Manitoba and in La Verendrye what did they say there? Well, should Canadians be allowed to own farm land in Manitoba? And 88 percent of them said, yes. Only 12 percent said no.

But you know, this isn't just from a few replies. I had 208 respondents from Swan River and my colleague had over 400 from his constituency. So, these percentages are based on significant numbers, and I think that you can go and talk to farm people, wherever they may be, or Manitobans generally, and a high percentage of them will say that Canadians should be able to own farm land in Manitoba.

Another question that was on there: Should foreigners be allowed to own farmland in Manitoba? I was surprised to get 23 percent of the response said, yes.

A MEMBER: Do you agree with that?

MR. D. GOURLAY: I don't agree that there should be speculation by foreigners in purchasing farm land in Manitoba, but we don't really have a problem today. I've talked to a number of real estate and they say they're not getting any foreign speculators buying land right now and, as a matter of fact, a lot of people wouldn't mind seeing a little bit of it. It wouldn't be a bad idea if there was a little bit of it but, generally, we don't support this . . .

A MEMBER: Desperate farmers.

MR. D. GOURLAY: . . . that's right, the farm situation right now is desperate and injection of small percentage

of some speculation, some people don't think that that's a bad idea.

Well, just to sum up, the Manitoba Farm Bureau have been quite active in supplying their views to all members of this Legislative Assembly, and I think that they represent, generally, the feelings of most Manitobans in their brief that was submitted to members of the Assembly, and it was dated October 21st. Just to quote briefly from their submission, they say: "In reading the enclosed submission you will see that the Manitoba Farm Bureau believes that the farming community does want measures to prohibit only foreign speculators from purchasing farm land in Manitoba and, generally, would not support legislation which would deny the right to own farm land in this province to other Canadians who are not Manitoba residents."

I think that, generally speaking, and I've indicated earlier that Manitobans generally feel that Canadians, wherever they may live, should be able to purchase farm land in this province. I have some personal concerns about this Bill 3 and I don't mind stating them here; my father came to Manitoba from Ontario back in 1902 and homesteaded in this province, and my older brother is still farming the land, but he's not married, he has no family and, as a matter of fact, I am the only member of the family that has any sons and presently one of them is living in Saskatchewan and another might be living somewhere else, other than Manitoba, but they are interested in keeping this farm in the family for generations to come, and this bill doesn't give any assurance that, after one generation, that they are allowed to keep this land. I think that this is a very serious mission, the whole darn bill is a bunch of crap, but I think that . . .

You can be assured that there'll be a lot of people that this government is going to hear from before this House adjourns in 1983, I can assure you, especially over this Bill No. 3, and there's a few other bills that cause us some concern but right now we're addressing Bill No. 3 and you can be assured that I'm not going to be supporting it.

Thank you.

MR. SPEAKER, Hon. J. Walding: The Honourable Member for River Heights.

MR. W. STEEN: Mr. Speaker, it's my intent to adjourn the bill. I see the Member for Springfield standing.

Mr. Speaker, I move, seconded by the Member for Pembina that the debate be adjourned.

MR. SPEAKER: Does the Honourable Member for Springfield have a point of order?

MR. A. ANSTETT: No, Mr. Speaker, I wish to speak to the bill under Rule 46 with regard to my comments on April 6th.

Mr. Speaker, on Wednesday . . .

MR. SPEAKER: One moment please. Order please. The Honourable Member for Springfield attempting to speak again under Rule 46, I'm not convinced that he is entitled to under that rule. Would the honourable member care to explain why he was misquoted or misunderstood and by whom?

M. A. ANSTETT: Mr. Speaker, as I understand the Rule, a material part of my speech may be misunderstood unless I clarify an answer to a question I gave to the Honourable Member for Minnedosa on Page 1485 of Hansard on Wednesday April 6, and in an answer to the Member for Minnedosa, I believe, there is a possible misinterpretation unless I speak to that question and clarify that answer, and that's why I've risen under that Rule, Sir.

MR. SPEAKER: The Honourable Member for Turtle Mountain on a point of order.

MR. B. RANSOM: Mr. Speaker, quite apart from whether or not the Member for Springfield should be speaking under this section, I think that the debate having been adjourned that he would now have to wait until the next time that the bill is under debate. It says no member may speak twice to a question, and the debate has now been adjourned.

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

MR. D. BLAKE: Yes, on that same point of order I haven't had the opportunity to peruse Hansard to establish whether I did, in fact, misunderstand the Member for Springfield. When I've had a chance to do that I would bring in my understanding whether I did misunderstand him or not, and then we can clear it up.

I know what he said is not what I think he said, it's what he thought I thought he said.

MR. SPEAKER: I thank the honourable member for that clarification.

The Honourable Member for Springfield to the same point.

MR. A. ANSTETT: Yes, Mr. Speaker, as I recall I don't believe you had put the question moved by the Member for River Heights as to the adjournment of the debate because I was on my feet and you recognized me, Sir, before putting that question.

Secondly, there's no requirement, as I read Rule 46, that there be a misunderstanding or a misquote, only that there may be in a material part of the remarks made by the member. Certainly I believe there may be, and under that understanding I've risen to speak under Rule 46. I certainly see no substance in any objection raised.

SPEAKER'S RULING

MR. SPEAKER: Order please, order please. According to my reading of Rule 46, the Honourable Member for Springfield is correct when it says that it is not necessary that he has been misquoted or misunderstood, but that he may have been.

It would seem that as points of order and points of privilege are usually brought up at the time they occur, or immediately afterwards, Rule 46 would appear to apply to a member who would challenge another member whom he considers is misquoting him, and there would then seem to be some urgency involved

in that member would be making some explanation of remarks that have been misunderstood or misquoted by someone opposite them. I would see that if this were allowed, in this particular case, it would open the door to 56 members standing up demanding the right to speak twice on the grounds that they may have been misquoted or misunderstood, without any explanation or pinning down of who might have done that.

Therefore, I cannot accept the Honourable Member for Springfield's request to speak a second time on this matter.

MOTION presented and carried.

BILL 50 - THE MANITOBA INTERCULTURAL COUNCIL ACT

MR. SPEAKER: Order please. On the proposed motion of the Honourable Minister of Cultural Affairs, Bill No. 50 standing in the name of the Honourable Member for Kirkfield Park.

MRS. G. HAMMOND: Thank you, Mr. Speaker. On Bill No. 50 we certainly agree with the concept of the bill. I do have some questions and concerns that I would like to mention. It deals with the provisions concerning membership, although I feel that I'm certainly speaking after the fact since the members have all been elected at this point. I don't know if the Minister has gone ahead and appointed anyone.

One of the questions I wanted to ask was concern with the members elected by each ethnocultural group and where these, I could see, are mainly coming from the city. It indicates "registered groups". I wanted to know what a registered group is and is every group that applies accepted, or is there a screening process of some sort?

The other question I had concerning the membership is the regions. This indicates that one member is elected by registered associations of ethnocultural groups. Does that mean that this is an umbrella association for one particular group, or is it a number of groups under one umbrella association? I'm not clear on that and I would like some clarification from the Minister on that point.

The other point on the membership indicates that a member elected by registered organizations composed of and serving several groups. I question the necessity of these members having a vote on the council. I can see that they would certainly be a good resource for the members to use and to be on as ad hoc member, in this particular area. This is a question I put to the Minister, if that had been thought of?

The other question that I have, and it deals with the number of people that the Minister is allowed to appoint onto this council, which is one member for every two that are elected. My understanding of this council was that it is an advisory board; they want information; they want input from the members of the community that they have elected onto the board. I see that the Minister, when he spoke on the bill and also in his speech to the council on Friday, April 22, to the 1983 Ethnocultural Assembly, and also in his press release, has indicated - I will quote, Mr. Speaker - that "A majority of the membership will be selected by the communities directly affected by the activities of the council. This reflects

our belief that the expertise and experience necessary to present solutions for the problems confronting ethnocultural population groups rests within the community itself."

Mr. Speaker, I ask the Minister if this is his concern and this is where he wants his expertise to come from, what is the need on this particular body which he indicates is different from other councils and boards, why the necessity of the Minister appointing which will be one-third of the board? That would effectively control the voting pattern. If they all vote in a block that could effectively control the voting pattern of this council. I question the need of that type of input from the Minister onto this particular council because I do believe that the communities themselves, the groups themselves, have the expertise and have the needed input to tell the Minister what is needed in their communities, so I feel that this is very much loaded on behalf of the government; I don't think it's a necessity. I think that when I look at the press release indicating the people that have been elected from the communities and the communities that have participated, this is an unnecessary and politicizes this type of council.

I wan't under the impression that when the Minister talks about the type of council, the kind of help that he wishes to get from the community, I wasn't under the impression - I don't think this side of the House was and possibly their own members - that this was to be a political exercise. I must say that I'm surprised and disappointed to see the Minister feels the need to appoint 20 extra people. These may be people that the community themselves are not necessarily feeling they have to be on that board and I think it gives it a dimension that is not needed on this particular council.

I don't know if the Minister has already appointed these or if this is something that he could look at, but I don't see the necessity and I think it makes the board very very political and heavily weighted on the side of the government. If what they are looking for is information and input from the communities themselves, from the people themselves, I think that he has it on the council as it is elected from within the community.

Mr. Speaker, the next provision I have a question about is the remuneration of members. It indicates that "the members of council shall receive from council funds such remuneration, allowances and reimbursement for other expenses as may be approved by the Lieutenant-Governor-in-Council."

While I feel that certainly, the members of the board should get travelling and out-of-pocket expenses because obviously this board is intending to meet in other parts of the province, there are members coming in and out of Winnipeg and Winnipeg members of the board which are predominant will be moving around the province. But when you have a board that may consist of 70 members - and I think this was to be a voluntary and an advisory board - I don't see the necessity of spending the money on paying the members of this board who are there to help their own communities. But while I don't want to see them out-of-pocket, I think that travelling and out-of-pocket expenses are certainly sufficient in this particular board.

The other provision comes under the Powers of the Council and I would say to the Minister that when I look at this area, it seems to me that what we are setting up here, instead of an advisory council, is a

bureaucracy. It looks like it can almost be a department on its own. As much as we want to see this type of a council set up and see the need of it, there are a lot of provisions in here that is going to create a bureaucracy and I feel it is out of line for the type of council that we have.

Certainly they are going to need an executive secretary or executive director. They are going to need a spot - I don't doubt that they have a head office, this type of thing - but when the council is going to be able to hire and fix salaries, where exactly is it going to end? I didn't see this as a provision when the Minister first suggested this type of a council so I just question the powers of the council and ask him to take a look at that particular provision because I feel that it's going to get out of hand.

Mr. Speaker, before we're planning to move this into committee, unless there are other members that wish to speak on it, I do want to mention to the Minister that in his speech of April 22nd to the Ethno-cultural Assembly, he mentioned on April 11th, that I introduced The Manitoba Intercultural Council Act to the Legislative Assembly and it is now moving quickly through the Legislature and I wanted the Minister to know that we certainly have no intention of making a liar out of him, but I would like some of the questions that I have posed answered and we will have more detailed questions when we go into committee.

MR. SPEAKER: Are you ready for the question? The Honourable Member for The Pas.

MR. H. HARAPIAK: Mr. Speaker, I move, seconded by the Member for Concordia, that debate be adjourned.

MOTION presented and carried.

BILL NO. 4 - THE MANITOBA OIL AND GAS CORPORATION ACT

MR. SPEAKER: Order please. On the proposed motion of the Honourable Minister of Energy and Mines, Bill No. 4, standing in the name of the Honourable Member for Kirkfield Park.

MRS. G. HAMMOND: Mr. Speaker, I'm not prepared to speak on the bill today, but if it could stand in my name and any of the members that wish to speak would be welcome.

MR. D. ORCHARD: Mr. Speaker, I wish to speak on the bill today please.

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker. There are times when words uttered in haste need an apology but I have done that before and I take no offense on that from the Minister of Cultural Affairs.

Mr. Speaker, I'd like to address a few remarks to Bill No. 4, and I fully realize, as I think most Manitobans realize, why we are dealing with Bill No. 4 in this Session.

This is a fulfillment of an election promise made during the election campaign of the fall of '81. It is a drive

that the ND Party has insisted that they must fulfill and I suppose that if members of the opposition and indeed most Manitobans had their way, it would be one of the election promises that they would allow the ND Party to break. They see no need for the Manitoba Oil and Gas Corporation and would forgive, with a great deal of grace, if the ND Party would break this election promise. They hold no particular desire or benefit to the future of Manitoba by having this company formed by this Act.

Mr. Speaker, the Minister introduced the bill and for a bill that has the potential, and a company that has the potential to do the things that this Act empowers. The Minister did introduce it with rather a brief commentary, and I suppose that in identifying the three primary objectives the Minister indicated it was to provide a window on the industry to stimulate existing development, and to assist private juniors through joint ventures, and to husband our resources through enhanced recovery projects and innovation.

You know, Mr. Speaker, the window on the industry can be provided through the Minister's department. The Mineral Resource Department has quite an adequate window on the industry to see how its doing, to see the performance of the industry, the future potential of the province. Those are all requirements that are met currently within the department and we don't really need our own Crown corporation to provide that window on the industry.

In terms of stimulating the existing development, well just yesterday, in this House, we had the Minister very pleasantly and very joyfully announce another sale of leases which was, once again, more successful from the previous sale of leases. That has been the trend since we changed the regulation and made the oil industry competitive in Manitoba, and it is something that will continue in Manitoba as long as there is economical oil to find, and it is happening through present regulations by the private sector responding to the economics in the industry. The industry does not need stimulation. I don't believe that there is any need for a Crown corporation in oil exploration to get involved in the industry. The industry is moving along very nicely right now, as a matter of fact, the Minister describes the potential moving from a mini-boom to a full-boom in the Province of Manitoba. That is happening without having this corporation as a window on the industry and available to participate in joint ventures.

The exploration and the production are now going on without it. So we question the need at this time of economic and fiscal difficulties that the government admits on a regular basis they are faced with; where they cut \$20 million from the Highways Department construction budget; where they cut Natural Resources; where they cut a number of programs because of lack of money. They are proceeding with bullheaded determination into fulfilling the election promise, and probably the only election promise that Manitobans didn't take them seriously on. We find that this move, this expenditure of money, at this stage of the game, is not only irresponsible, an irresponsible use of taxpayer money, but being undertaken at an inappropriate time because exploration is proceeding posthaste and with a great deal of vigor in the province right now. The enhanced recovery provision provided by this bill that is theoretically one of the jobs that the

corporation will do need not be done by a Crown corporation. Enhanced recovery techniques in the industry are a direct response to the economics of undertaking them, and either they are economical to undertake and the industry does that on their own or, if they are borderline, there are tax incentives which will trigger those enhanced recoveries.

Now, I've heard members of the ND Party criticize, from time-to-time, the drilling allowances that are allowed by the Federal Government when the major oil companies participate in remote oil exploration - in the high Arctic, in the offshore of Labrador, for instance, is two examples. They believe that the tax incentive system has been grossly overrewarding to those companies in removing most of their costs through tax incentives, and yet here we have the Minister introducing a bill to establish a corporation with one of three primary functions being that of promoting enhanced recovery projects and innovation in the industry. That's something, Mr. Speaker, that we don't need a Crown corporation for, that is exactly the kind of operation that a Crown corporation can get carried away and waste all kinds of taxpayer dollars on.

If enhanced recovery is going to be economic it will be done by the industry. If it needs to be experimental it can be done by the private industry through the proper kind of tax incentives. We don't need a Crown corporation getting in there on an uncontrolled basis, wasting taxpayer monies, undertaking questionable expenditures on enhanced recovery that the private sector won't do because of economics or lack of incentive to do it.

So, Mr. Speaker, the three objectives that the Minister outlined, the primary objectives, two of them are being met already and one of them is a questionable objective and a questionable use of taxpayer dollars which are limited at this stage of the game by open admission of the government.

What can ManOil do? Well, if you follow under the Act, Mr. Speaker, ManOil can do an awful lot of things according to the mandate given, if we should pass this bill. Not only can it acquire, own, lease, explore for, and develop, produce oil and natural gas in the province, but it can go into the refining stage. It can go into the transportation and sale of oil and natural gas products. Are we going to see ManOil take over the Shell Refinery that is to be closed down this summer, is that why we're bringing in this bill, to give us a window on the refining part of the industry. I would suggest that most Manitobans would not want to see that, Mr. Speaker.

Are we going to have a series of PetroMan stations in Manitoba retailing gasoline — (Interjection) — Well, the Member for Woleseley says, that sounds good. Maybe that is really what this bill is for, is to allow the window on the retail industry. That presents some interesting problems for the ND Party and its adherents because they praise Petro-Canada on a daily basis. Yet, when you pull up to a Petro-Canada station you pay the same price you do at Texaco, Gulf, Imperial Oil, Turbo or any of the other ones, maybe even pay more than you do at Turbo. Yet, the ND Party has said that the major oil companies of Texaco, Gulf, Imperial have ripped off the customer consistently. Yet, they go to the Petro-Canada station and the price is the same; now does that mean that the Crown corporation, because you own Petro-Canada and Canadians, that

a rip-off there, if it exists in the private sector, the rip-off in the public sector is acceptable, all of a sudden? Well, it's not acceptable to me, it's not acceptable to most Canadians. If there's a rip-off in the oil industry and Petro-Canada is perpetrating it then they're no better than the multinationals, either that or the typical New Democratic left-wing harangue about the multinational oil company is nothing but fluff, froth and feathers.

Mr. Speaker, the bill also allows this corporation to undertake joint ventures in exploration; it allows them to carry on any other business that may seem, to the corporation, capable of being conveniently carried on in connection with its business or calculated, directly or indirectly, to enhance the value of, or render profitable, any of the property or rights of the corporation. That's a license to do anything, Mr. Speaker, just to carry on any other business that may seem to be capable of carried on. This is more than a simple window on the industry that's being permitted by passing of this legislation; it allows the Manitoba Oil and Gas Corporation to explore for oil and gas, not only in Manitoba, but anywhere.

I don't know whether we want to have Manitoba taxpayer dollars being spent searching for oil in the Beaufort Sea, or offshore Indonesia, or offshore Mexico, but they could move an oil rig down to Nicaragua and drill in the Caribbean Gulf and have a better window on the political matters down there. Maybe that's where they want the window, Mr. Speaker, I don't know.

So this bill is not as simple as what the Minister has told us when he introduced the remarks. It's not simply a window on the industry. This corporation has indeed wide-ranging powers and abilities to get into any aspect of the petroleum industry that it so desires and indeed, with section (d) any other business that may seem to be capable of enhancing the ability of this corporation to carry on its work and all, Mr. Speaker, at the expense of the taxpayer, at the risk of the taxpayer dollar.

Well, I don't know whether this is the proper time to be placing those kinds of monies that are hard to come by that are being cut out of highway programs, cut out of Natural Resource Programs, cut out of safety funding and poured into a Crown corporation for a window on the industry.

The Minister says that there is only going to be a \$20 million capitalization over a four-year period and that's right, that's the capitalized share-value of this oil corporation. The shares are going to be purchased by the government in return for advances of money. But what the Minister didn't point out is that is only the traditional tip of the iceberg in the terms of the financial capacity that has been conferred on this Manitoba Oil and Gas Corporation by this Act. That's one source of funds, that's the direct one that we can watch, that we can see happening year by year.

But I want to point out, four other sections of the bill, which allow this corporation with reference only to the Cabinet that created it to go to the money markets and borrow unlimited amounts of money on behalf of the people of Manitoba, the taxpayers who will have to repay it, should their ventures and their operations fail.

So, Mr. Speaker, I want to point out to you that a section of the bill after the original capitalization, allows the corporation to undertake temporary borrowings up

to a maximum of \$5 million. These temporary borrowings can be in the form of an overdraft, a line of credit or a sale of short-term notes by the corporation. They can do this through the banks only. The government has eliminated the ability of credit unions to participate unless they make an amendment to allow the credit unions to participate. But, there is an additional \$5 million that this Manitoba Oil and Gas Corporation, simply by coming to the Minister who will refer the matter to Cabinet, who I would say would automatically say yes, give them the money, there's an additional \$5 million of taxpayer risk money being put into this corporation.

There is a third area. The corporation can take temporary advances and temporary borrowings I believe - no, I dealt with temporary - this is temporary advances by the government. Now, these once again, are only to be authorized by the Lieutenant-Governor-in-Council. This Cabinet that is introducing this bill, that is fulfilling an election promise, will pass an Order-in-Council allowing temporary advances by the government. Where will the money come from, Mr Speaker? It will come from the consolidated fund, the tax revenues of the Province of Manitoba, from the taxpayers' money they can temporarily advance monies to this oil and gas corporation. Is there a limit on the amount that they can temporarily advance? No, Mr. Speaker, it is unlimited. There is no limit mentioned in the section dealing with temporary advances by government to this corporation. It's an unlimited source of money if the Lieutenant-Governor-in-Council and the Cabinet so chooses. All of it from the consolidated fund, all of it from the taxpayer, Mr. Speaker.

They can go in another section for a fourth source of credit. That fourth source of credit is loans by the government. These once again, Mr Speaker, are no reference to the House. This is done by the Lieutenant-Governor-in-Council, the Cabinet who created this oil and gas corporation can simply at the request of the oil and gas corporation can simply at the request of the oil and gas corporation, pass a Cabinet Order-in-Council and authorize borrowings, loans by the government to finance Manitoba oil and gas corporation.

Is there a limit to the amount that can be loaned by the government? No there is not. The government can go offshore. They can go to the Canada Pension Plan, they can go to New York, they can go anywhere they wish and borrow money on behalf of this oil and gas corporation. And implicit in that, when the government is doing the borrowing, Mr. Speaker, is the onus once again, on the taxpayer to repay that. If that company loses those monies, through improper investment, imprudent projects, the taxpayer is on the hook for an unlimited capacity of loans negotiated by the government on behalf of the Manitoba Oil and Gas Corporation.

There is yet another source of funding that this corporation is given by this bill and that is the issuance of notes, bonds, debentures or other securities of the corporation. These notes, bonds, debentures, or other securities once they're issued become permanent instruments of the corporation. A bond for instance, could be issued for a one-year term - I am using the wrong one - I should use a debenture could be issued. It could be repaid, but once issued it is there for the

full exercise of refinancing at a future date if it's paid off. These are permanent instruments. Once used, they can be retired, but they remain in place to be used as sources of finances in the future.

These notes, bonds, debentures and other securities are guaranteed by the government. Once again, the taxpayer of the province is guaranteeing that the Manitoba Oil and Gas Corporation will not default on either the principle or the interest payment on any of these notes, bonds, debentures or other instruments of security. I ask you, Mr. Speaker, is there a limit on the dollar value of notes, bonds, debentures or other securities that could be issued under this section? No, there isn't. Once again, Mr. Speaker, it is unlimited and it is at the sole request by the corporation to the Lieutenant-Governor-in-Council, the Cabinet of the government, who created the corporation, who can finance it with unlimited monies under notes, bonds, debentures and have the taxpayer ultimately guaranteed by the government, the principle and interest thereon.

If there is a failure to discharge any of the obligations caused by the failure or to pay back a note, bond, debenture or other security, and the guarantee is triggered, that guarantee is paid out of the consolidated fund. Unlimited capitalization is what we have in this company. It's not simply, as the Minister introduced, a \$20 million venture and window on the oil industry, Mr. Speaker, that is only one part of five types of financing conferred on the Manitoba Oil and Gas Corporation by this Act.

It incidently is the only one that the Minister has mentioned in the introduction of his remarks. He didn't mention the ability of this corporation to, in four other means conferred by this bill, raise unlimited amounts of money solely at the passage of an Order-in-Council. There is only one of those additional four methods that has a limit, and that's the temporary borrowings from the banks, which has a limit of \$5 million. The other three, the loans, the temporary advances, and the issue of notes, bonds, debentures, and other securities have no limit mentioned.

So what we have here, Mr. Speaker, is the ability, in the creation of Manitoba Oil and Gas Corporation via this Act, we have the ability of the ND Government, through Cabinet directive, allowing this corporation to far exceed the \$20 million capitalization if they so desire. That's not to say that the MLA for Transcona is going to come in, the Minister of Energy is going to come in, and say we need to sell a \$50 million debenture issue to finance Manitoba Oil and Gas Corporation. No, that doesn't say he's going to do that, but the ability to do it is there. Manitobans must know that ability of virtually unlimited financial borrowing capacity is there in this Act. It is not simply \$20 million of Capital that can be used in Manitoba Oil and Gas Corporation; this Act confers, at the discretion of the Cabinet of the New Democratic Party, the current government of Manitoba, it confers virtually unlimited financial capacity. Let me assure you, Mr. Speaker, that when you start playing in the big league of oil exploration and development you can get into those kinds of expenditures so quickly and so irreversibly that the Manitoba taxpayer could be hung with a several hundred million dollar bill if this government were to exercise and allow Manitoba Oil and Gas Corporation to undertake the borrowings that are conferred by this bill.

It is in that aspect, Mr. Speaker, that we see, on this side of the House, the danger in creating this corporation at this time. We see no need for it; we believe that it is not necessary at this time, the oil industry is performing very well; we believe that the current system of regulation and provision of incentive returns are there to stimulate the private sector into the oil activity. It's obvious that it is working because, as I've said earlier on, the Minister made another announcement just yesterday indicating the success in the private sector.

We, furthermore, don't see this as a necessity now because of the tight financial situation this government readily admits it's in. Why would we want to take Capital dollars that are needed elsewhere in the operation of this government and pour it into an oil and gas corporation which will serve only as a window on the industry, and more importantly, serve as a fulfilment of an election promise. We wish that this is one promise the ND Party would break with the electorate of Manitoba. They would receive great favour by breaking this promise. We don't need the Manitoba Oil and Gas Corporation at this time; we don't need the kind of financial structuring that is inherent in this bill; we don't need the risk associated with oil and gas exploration in Manitoba via this corporation.

There's no question, Mr. Speaker, that this company could probably go and buy a quarter section of oil rights in the Wascada area and strike oil on it because that is fast becoming a proven field. They could prove that they could find oil where oil has already been discovered, there's no question about that. The private sector is filling that role, providing revenues to the Province of Manitoba and no risk to the people of Manitoba. Revenues, without risk, is what we have now; possible revenues, with a great deal of risk, is what we are going to get if Manitoba Oil and Gas Corporation takes off as we believe it will under this government. The oil play is well established in the southwest would

mean to me that the Manitoba Oil and Gas Corporation might then move to a frontier source like drilling in the Hudson Bay; that's high risk. I don't think that I want my taxpayer dollars or taxation, collected in the constituency of Pembina, going on a direct venture or a joint venture by Manitoba Oil and Gas Corporation to search for some hoped-for find of oil in the Hudson Bay section. I don't believe it's a proper and a wise use of limited taxation revenues in times of very tight fiscal and monetary climes for this province.

So I hope that members opposite will reconsider their need and their penchant to fulfill this one election promise so that they can say, next time around, but we kept at least one promise; we give you ManOil. We'd prefer you break that promise; we'd prefer you don't set up ManOil; we'd prefer you continue to allow the private sector industry to develop the oil resource in Manitoba, giving us lease sale revenues, giving us oil revenues. We get the revenues without the risk right now, and we're doing quite well at it, thank you very much. We don't need the Manitoba Oil and Gas Corporation to come in and ciphon off taxpayer dollars. The industry is working well without ManOil, it will continue to operate well without ManOil, and I cannot support this legislation, Mr. Speaker.

MR. SPEAKER: Order please. The bill will stand in the name of the Honourable Member for Kirkfield Park.

The Honourable Minister of Natural Resources.

HON. A. MACKLING: Yes, Mr. Speaker, I think there's concurrence for calling it 12:30 and, that being so, I move, seconded by the Honourable Member for Turtle Mountain this House do now adjourn.

MOTION presented and carried and the House adjourned and stands adjourned until 2:00 p.m. on Monday afternoon.