



Second Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

(Hansard)

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The Honourable Louise M. Dacquay
Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, October 15, 1996

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Pharmacare

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

THAT during the 1995 provincial election, the Premier (Mr. Filmon) promised not to cut health services; and,

THAT the Pharmacare program brought in by the former NDP government was the first in Canada and has served as a model for pharmacare programs in Canada; and,

THAT the Manitoba Pharmacare program has enabled thousands of Manitobans over the years to be able to stay out of costly institutions and to avoid financial ruin due to the high cost of necessary pharmaceuticals; and,

THAT previous cuts to Pharmacare have reduced the budget from \$60 million to less than \$50 million over the past two years; and,

THAT as of April 1996 the provincial government is slashing benefits, effectively putting a tax on the sick and reducing the Pharmacare budget by \$20 million; and,

THAT these cuts more than double the deductible for most Manitobans to over \$1,000 for most families, effectively ending Pharmacare for the vast majority of the population regardless of health.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to

request the Premier and the Minister of Health to consider reversing their plan to cut Pharmacare in 1996.

PRESENTING REPORTS BY
STANDING AND SPECIAL COMMITTEESStanding Committee on Economic Development
Fourth Report

Mr. Peter Dyck (Chairperson of the Standing Committee on Economic Development): Madam Speaker, I beg to present the Fourth Report of the Committee on Economic Development.

An Honourable Member: Dispense.

Madam Speaker: Dispense.

Your Standing Committee on Economic Development presents the following as its Fourth Report.

Your committee met on Thursday, October 10, 1996, at 10 a.m. in Room 255 of the Legislative Building to consider bills referred.

Your committee has considered:

Bill 14—The Manitoba Trading Corporation Amendment Act; Loi modifiant la Loi sur la Société commerciale du Manitoba

Bill 15—The Tourism and Recreation Amendment Act; Loi modifiant la Loi sur le tourisme et les loisirs

Bill 27—The Museum of Man and Nature Amendment and Consequential Amendments Act; Loi modifiant la Loi sur le Musée de l'Homme et de la Nature et apportant des modifications corrélatives

Bill 39—The Pari-Mutuel Levy and Consequential Amendments Act; Loi concernant les prélèvements sur les mises de pari mutuel et apportant des modifications corrélatives

Bill 71—The Manitoba Film and Sound Recording Development Corporation Act; Loi sur la Société manitobaine de développement de l'enregistrement cinématographique et sonore

and has agreed to report the same without amendment.

Mr. Dyck: Madam Speaker, I move, seconded by the honourable member for Riel (Mr. Newman), that the report of the committee be received.

Motion agreed to.

Standing Committee on Economic Development Fifth Report

Mr. Dyck: Madam Speaker, I beg to present the Fifth Report of the Committee on Economic Development.

An Honourable Member: Dispense.

Madam Speaker: Dispense.

Your Standing Committee on Economic Development presents the following as its Fifth Report.

Your committee met on Thursday, October 10, 1996, at 3:30 p.m. in Room 255 of the Legislative Building to consider the Financial Statements of Venture Manitoba Tours Ltd. for March 31, 1996 and 1995.

Mr. Bob Sparrow, chairman of Venture Manitoba Tours Ltd. and Mr. Harvey Boyle, assistant deputy minister, Department of Natural Resources, provided such information as was requested with respect to the Financial Statements of Venture Manitoba Tours Ltd. for March 31, 1996 and 1995.

Your committee has considered the Financial Statements of Venture Manitoba Tours Ltd. for March 31, 1996 and 1995 and has adopted the same as presented.

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

Motion agreed to.

TABLING OF REPORTS

Hon. Jim Ernst (Minister of Consumer and Corporate Affairs): On behalf of the Minister of Finance (Mr. Stefanson), I would like to table the Second Quarterly Report for the Manitoba Telephone System.

* (1335)

ORAL QUESTION PERIOD

Minister of Justice Premier's Confidence

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, my question is to the First Minister (Mr. Filmon). Last Wednesday, the Minister of Justice challenged us to come up with the judge who had made statements about sentences and, of course, we quoted on Thursday in this Chamber that on October 8 Judge Oliphant had stated, had he known, he would not have recommended intermittent sentences in every case. On October 11, Judge Oliphant went on to say: I am concerned that a court sentences an individual to a term of imprisonment and as a result of decisions by the bureaucracy the sentence is not enforced and the time in prison is not served.

Because I believe that that breeds a disrespect for the law and a disrespect for the authority of the court, I would like to ask the Premier specifically, in light of Judge Oliphant's comments and the fact that it has come to public attention that people sentenced to intermittent sentences did not serve any time in jail, does the Premier still have confidence in his Minister of Justice who is responsible for the stewardship of the justice system here in Manitoba?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): I have a letter addressed to me dated October 12 from Mr. Justice Oliphant in which he says: I am writing to you to express my deep regret that words which I have spoken have been taken out of context, misconstrued and used by others to imply that I am critical of the manner in which you have dealt with the issue of offenders who have been sentenced on an intermittent basis.

He goes on to identify several other issues, and he also makes it clear that, when a member is asked under what

authority and is there any recognition that Corrections is the one who then carries out the sentence, the judge sentences; Corrections carries it out. He also says, please note that my very first comment, which the media has chosen not to broadcast or publish, is to the effect that once a judge has sentenced an individual the judge has no further role to play. It is then up to Corrections to determine what will happen to that offender.

Corrections System Intermittent Sentences

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, the Minister of Justice, of course, is responsible for the Corrections department. She is responsible for the Crown prosecutors or the department of Prosecutions and she is also the public contact to the judiciary on matters of policy. Clearly, the Minister of Justice is responsible for all three areas of the justice system, and the fact that defence lawyers were aware of certain information and the Crown attorneys and the judges were not in no way excuses this Minister of Justice.

I would like to ask the Premier (Mr. Filmon), how can the Minister of Justice today justify her department, her deputy minister contacting Justice Oliphant on Friday about the comments he made when she did not have the initiative or the creativity or the responsibility to contact the judiciary six months ago when she made the decision not to have people serving intermittent sentences go to jail after they were sentenced?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): The members across the way have led with a scandalous allegation of efforts to not inform the judiciary. Nothing could be further from the truth. There was no effort to hide how intermittent sentences were being dealt with.

I refer the members to the media update April 26, in which it comments, individuals who would normally be serving weekend sentences are being asked to contact—a number is given. That was public notice that was given to the media. That was made public. I also refer the member to a court case argued in the name of the Attorney General, on September 18, in which our Crown attorney very clearly, in open court with the public present, said that intermittent sentences could not be served in our institutions. That, coupled with my

comments in Hansard on May 28, has clearly given indication there has been no effort to hide what has occurred in the area of intermittence, none whatsoever. There is clearly evidence the allegations by members opposite are absolutely scandalous, not in the public interest.

Mr. Doer: The only thing scandalous in this Chamber is the fact that the Minister of Justice will not take responsibility for fully informing the judiciary and Crown attorneys—[interjection]

Well, if the Premier wants to have the guts to stand up and answer a question, he is quite able to do so.

Madam Speaker: The honourable Leader of the official opposition, to complete his question.

Mr. Doer: Thank you, Madam Speaker. My question, again, is to the First Minister. Can the First Minister explain to the people of Manitoba how his Minister of Justice can instruct her deputy minister to phone Judge Oliphant about comments that are made in the media, but does not have the initiative, does not have the leadership, does not have the stewardship, does not have the responsibility to fulfill her duties to inform the judiciary here in Manitoba and the Crown attorneys when she made the decision on intermittent sentences? Does he not think that is a dereliction of her duties and we should have a new Minister of Justice here in the province of Manitoba.

Hon. Gary Filmon (Premier): Madam Speaker, the only people who are derelict in this issue are the members opposite who are trying to make cheap politics without having the integrity to at least be honest with the questions they ask.

* (1340)

Judicial System Intimidation

Mr. Gord Mackintosh (St. Johns): Madam Speaker, my question is to the Minister of Justice. Further to the statement last week from Associate Chief Justice Jeffery Oliphant of the Court of Queen's Bench, a statement which we suggest certainly speaks for itself, the government was breeding disrespect for the law, we have

just confirmed now that in the Provincial Court, Judge Ashdown said at a sentencing hearing, and I quote—I will table this: I have to be satisfied that a custodial period is available; otherwise, I am just speaking in terms that have no consequences, and I do not like to do that. I think that brings the court system into disrespect in the minds of the community, especially when a broadcast like that goes out over the air telling people that in effect the judiciary is powerless in these situations to have its orders respected. That does not do the community any good. My thought would be therefore that I would adjourn the matter.

My question to the minister: Does the minister now intend for her office, indeed her deputy, to call Judge Ashdown, as we have learned she did with Justice Oliphant on Friday, to intimidate him, to retaliate and then go so far as purport to speak on behalf of the judge?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Madam Speaker, the member across the way continues to be scandalous. Though I understand hypocritical is not a word able to be used in this House, it is unbelievable the way that he continues to construe and misconstrue and put forward allegations. On Friday he put forward a number of allegations which are in fact quite wrong, absolutely not substantiated by any facts whatsoever, absolutely unsubstantiated allegations. Justice Oliphant does comment that he believes his remarks were twisted. He believes it is not unusual for a justice to speak out, and he believes that in fact this is clearly a case of cut-and-paste journalism.

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

Minister of Justice Resignation Request

Mr. Gord Mackintosh (St. Johns): The minister does not recognize there is but one scandal in this province, Madam Speaker. Does the minister not understand that by calling a specific judge she is influencing that judge, and, worse yet, by speaking on the judge's behalf attributing untrue quotes to him, she is further undermining the independence of the judiciary to an extent not even contemplated last week? She must resign.

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Madam Speaker, I do not purport

to try and speak or influence the judiciary, but I will say that I have in Justice Oliphant's letter a comment that says: I wish to state that you have my full permission to use this letter to correct any misapprehension created by the misuse of remarks.

I did not call Justice Oliphant, but it was made very clear that Justice Oliphant was very, very concerned about the way his remarks had been misconstrued. He then asked for a copy of the tape, and he said: Although CBC agreed to provide me with a copy of the tape of my interview with Miss Roy, they declined to do so when an executive assistant to the Chief Justice went to pick up a copy of the tape. She was provided with what was purported to be a transcript of the comments made. I reviewed the document and found it to be incomplete and inaccurate. Later that same day, the CBC did provide a further transcript, and I am enclosing a copy for your perusal.

Madam Speaker, Justice Oliphant has made himself clear.

Mr. Mackintosh: Will the minister not admit that Judge Ashdown has made himself perfectly clear, Madam Speaker, people of Manitoba are making themselves very clear and people on this side are making themselves perfectly clear, and will she now be attempting to pressure Judge Ashdown, as she did with Judge Oliphant through her deputy minister on Friday, or will she do the honourable thing and resign today?

Mrs. Vodrey: I will read another paragraph from Justice Oliphant's letter, because I believe that Judge Ashdown, if he chooses, may comment in a similar vein: If media reports which followed my interview are accurate—

Madam Speaker: Order, please. The honourable member for Thompson, on a point of order.

* (1345)

Points of Order

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, on a point of order, first of all, I would ask, as is in accordance with our custom, that the minister table the letter she is reading from, and, second of all, that she answer the question which is in regard to Judge

Ashdown's comments. The member for St. Johns was very clear. I would like to ask once again that the minister respond to the question, and if she wants to share that letter or any other information, she can table it, as are the rules in this House.

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

Hon. Jim Ernst (Government House Leader): On the same point of order, Madam Speaker, I think the minister clearly was responding to the question raised by the member for St. Johns. The fact of the matter, the member for St. Johns last week raised what we gather now to be inappropriate or inaccurate comments. I think it is important that the minister lay out for all members of the House exactly the kind of thing that can occur when certain allegations are made that are unsubstantiated.

Madam Speaker: Order, please. On the point of order raised by the honourable member for Thompson, I would remind the honourable minister that, according to our rules, Rule 34, where in debate a member quotes from a private letter, any other member may require the member who quoted from the letter to table the letter from which the member quoted.

* * *

Mrs. Vodrey: I am pleased to table the letter and have the full permission of Justice Oliphant to do so. In that letter he says, I am very angry that others have chosen to make me a pawn in an attempt to discredit you. I have not and do not question either your ability or your integrity.

Domestic Violence Intermittent Sentences

Ms. Diane McGifford (Osborne): Madam Speaker, we know that, on the average, victims of domestic assault are assaulted 33 times before reporting to the police. We know that police, Crown attorneys and judges understand the complexities of domestic abuse and that they are doing their work.

Now we know that the Minister of Justice, the supposed embodiment of justice, has undermined her office by undermining intermittent sentencing. I want to

ask the Minister of Justice to consider a woman who, after 33 assaults, has found the courage to report to the police and go to court only to see the perpetrator walk free, and I want to ask the minister to explain to that victim, not to this side of the House but to that victim, her policy of nonserved intermittent sentencing.

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Madam Speaker, I can tell you that our Crown attorneys take a very aggressive position in court regarding any domestic violence cases. It is the judiciary who provides the sentencing and one would have to ask the member, in terms of the five days in which the individual does not serve intermittent sentences, does she assume then that the victim is safe? Her questions simply fly in the face of logic and reason.

This government has done significant work and has been recognized by Jane Ursel in which in her report and testimony before the Lavoie inquiry she says: Manitoba is not only a leader in Canada, but my recent participation at an international conference has made it clear that Manitoba Corrections is a leader in the world.

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

Ms. McGifford: Madam Speaker, I certainly do not share the minister's concept of justice.

Madam Speaker: Order, please. I would remind the honourable member she was recognized for a supplementary question which requires no postamble.

Ms. McGifford: Since the minister claims to be forthcoming with information, I want her to tell this House and the people of Manitoba exactly how many convicted sexual and domestic offenders were given intermittent sentences which were not served. Exactly how many?

* (1350)

Mrs. Vodrey: Madam Speaker, I am not able to provide the member with those numbers at the moment. However, I would remind her that in the case of sexual offenders or domestic offenders, that is still the prerogative of the judiciary to sentence intermittently or to sentence for continuous time. I would ask her where she thinks those individuals are in the other five days

when they are not serving intermittent sentences. They are in the community, and all of us probably see these individuals on a regular basis.

If the judges determine that they will sentence a person convicted of domestic violence to an intermittent sentence, that does not mean that Crown attorneys have not argued for the sentence to be different.

Minister of Justice Resignation Request

Ms. Diane McGifford (Osborne): I want to ask the minister, who has mocked her own zero tolerance policy, perhaps put people at risk and certainly insulted all Manitoba women, to act with the wisdom and courage which should characterize her office and submit her resignation.

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Madam Speaker, to mock the women of Manitoba is a position of the NDP party. To mock the women of Manitoba is the position of members opposite who do not support the Family Violence Court, who have not supported initiatives that have come forward from this government. We heard members across the way—

Madam Speaker: Order, please.

Point of Order

Mr. Steve Ashton (Opposition House Leader): On a point of order, Madam Speaker, Beauchesne Citation 417 is very clear that "Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate."

The minister was asked once again why she will not resign, and she should answer that question and not waste the time of this House with the kind of irrelevant debate we are trying to see from that minister. It is a desperate attempt to distract attention from the clear fact she should resign.

Madam Speaker: On the point of order raised by the honourable member for Thompson (Mr. Ashton), I would remind the honourable ministers that responses to

questions should be as brief as possible, deal with the matter raised and should not provoke debate.

* * *

Madam Speaker: The honourable Minister of Justice, to complete her response.

Mrs. Vodrey: Thank you very much, Madam Speaker. I am very pleased to tell the member opposite all the steps that this government has taken in the interests of the safety of women—the very first Community Notification Committee process set up all across Canada which, by the way, the member for St. Johns said did not do enough, was not good enough and that he did not support.

Madam Speaker: Order, please.

Point of Order

Mr. Gord Mackintosh (St. Johns): On a point of order, Madam Speaker. I am certain that the Attorney General does not want to be further careless with the truth here again today. She will want to get up and advise Manitobans that what she said was untrue. She was talking about the lack of support from this side for matters dealing with domestic violence. She was only right when she said it did not go far enough, what this government was doing.

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

Leipsic Communications Natural Resources Contract

Mr. Tim Sale (Crescentwood): Madam Speaker, can the Minister of Natural Resources confirm that a contract was let in April of 1996 to Leipsic Communications for sustainable development marketing services in the approximate amount of \$78,000?

Hon. Albert Driedger (Minister of Natural Resources): Madam Speaker, I cannot confirm that at this time. I will take it as notice.

* (1355)

Mr. Sale: Madam Speaker, can the Premier (Mr. Filmon) tell the House why this contract was let through the Treasury Board and not through the department's signing authority, given that the amount of the contract was well within the minister's own signing authority of \$300,000? Can the Premier tell us why the contract went through Treasury Board?

Mr. Driedger: Madam Speaker, I just gave an indication in my last answer that I will take the question as notice and provide information.

Mr. Sale: Madam Speaker, my question is to the Premier.

Will the Premier confirm that the reason the contract had to go to Treasury Board was that Leipsic Communications was in fact not even close to the lowest bidder, not by a long shot, but orders were given to award the contract to Brenda Leipsic, a former president of the Conservative Party, joining her with a long list of Tory patronage contracts to former campaign managers, personal finance advisers, communications managers? That is the reason it went to Treasury Board.

Hon. Gary Filmon (Premier): Madam Speaker, I will take the question as notice and bring back the information.

Regional Health Boards Interim Funding

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my question is for the Minister of Health.

One of the things this government did is they established another level of bureaucracy known as the 10 super regional boards out in rural Manitoba. I would like to put forward a question for the Minister of Health, very specific: Can the Minister of Health today tell us how much money has been allocated for interim funding to each of these 10 regional health care boards?

Hon. James McCrae (Minister of Health): The honourable member asked a similar question a week or so ago. I told him I would compile the information for him and make it available to him.

Mr. Lamoureux: Madam Speaker, I am wondering if the minister can indicate to us why it is his department has refused to give us that information.

Mr. McCrae: We have been reviewing the question. Again, that question was asked as well. We are reviewing that question with a view to making as much information available to the honourable member as is appropriate.

Mr. Lamoureux: Can the minister indicate in terms of why it is that the Manitoba Association of Health Care Professionals would have to go to court to try to get information from this government?

Mr. McCrae: That would be part of my review. I remember saying to the honourable member there may be some proprietary issue involved in that particular response, but I am attempting to get to the bottom of that to find out what information I can make available to the honourable member, Madam Speaker.

Social Allowances Amendment Act Consultations

Mr. Doug Martindale (Burrows): Madam Speaker, the Oblate Justice and Peace Committee in their brief on Bill 36 said: Those who have come here during these two days to tell their stories are not parasites. They are very courageous individuals who take the risk to reveal some of the pain of their very difficult lives in order to help the rest of us understand just how excruciatingly difficult it can be to live on social assistance.

I would like to ask the Minister of Family Services why it is that her government consulted the public before introducing legislation on vulnerable persons, and why this minister appointed an 11-member panel and a member of the Legislature to consult the public and tour the province a year in advance of introducing legislation and similarly appointed another member to tour the province, a member who has been to 140 daycare centres already to consult the daycare community a year in advance of introducing changes to legislation. Why is it that the public was not consulted and people on social assistance were not consulted until the committee stage of the bill?

Hon. Bonnie Mitchelson (Minister of Family Services): Madam Speaker, I thank my honourable friend for that question because it does show that the opposition does believe that we do consult as a government with many Manitobans. I want to indicate, as we have made some very major changes to our Social

Allowances Program, our income assistance program, that we did do very significant consultation. We met with many members of the community when we looked at our new focus through Taking Charge! where we brought together members of the business community, members of the community at large with those who were on social allowance who were single parents to ask what kind of program indeed was needed in order to serve and try to assist those who are single parents gain meaningful employment.

Madam Speaker, we have consulted with many of the changes we have made and will continue to do that. I really appreciated the comments that were made by many of the presenters.

Workfare

Mr. Doug Martindale (Burrows): Madam Speaker, I would like to ask the Minister of Family Services why this government is bringing in workfare through Bill 36 when many presenters were opposed to this legislation—in fact, I think 39 out of the 40 presenters are opposed in total to the bill—when she was told by, for example, the Mennonite Central Committee's Opportunities for Employment program director, Reverend Garry Loewen, that they had 80 applications before the door even opened for that program and there are 20,000 employable people in the city of Winnipeg. Why is she bringing in workfare when there are no jobs available and people want to work for the jobs that are there?

Hon. Bonnie Mitchelson (Minister of Family Services): I listened very intently to the presentations, the comments that were made by the Mennonite Central Committee. I think their comments were very appropriate to what we are trying to do and that is, in fact, if there is an opportunity for people to volunteer in places like some of the organizations that the Mennonite Central Committee works with in order to gain them some meaningful experience that may lead to employment, they are very prepared to do that. I would encourage that and we would certainly want to work with them.

* (1400)

Work Incentives

Mr. Doug Martindale (Burrows): Can the minister tell the House why she is introducing amendments in Bill 36

which will punish people and reduce their benefits when, as one of the United Church presenters said, it seems ironic to us the government offers loans and tax cuts to the well-off as an incentive to work and yet removes dollars from the pockets of its poorest citizens as an incentive to work? Why is there one benefit to the affluent members of society but punishment for people who genuinely want to work for whom there are no jobs by way of this bill that is going to reduce their benefits?

Hon. Bonnie Mitchelson (Minister of Family Services): Madam Speaker, it is interesting to hear the New Democrats in opposition speaking out of one side of their mouths when the New Democrats that are in government do completely the opposite, and if we just look to the Province of British Columbia where they have just announced that they are going to cut all youth from the ages of 18 to 24 off welfare completely unless they are involved in training programs or in employment opportunities.

Computer Services Request for Tenders

Mr. Jim Maloway (Elmwood): My question is to the Premier (Mr. Filmon), and it concerns the new \$50-million tender for all government computer services. Now, prior to 1990, this Premier signed a bungled deal with Wang computers in a failed attempt to centralize computer services. Can the Premier tell us why this particular tender is designed for IBM and Systemhouse and against the many small Manitoba computer companies?

Hon. Brian Pallister (Minister of Government Services): Madam Speaker, the member is misguided yet again in his question. The reality is that in terms of the process that is underway right now, we are looking at requests for proposals or ideas on how we can better link and co-ordinate the computer services that we offer within government in a manner in which we can bring more efficiencies to the operation, more cohesiveness in terms of training benefits, software acquisition and the like, all with the idea of doing a better job with the taxpayers' money that is entrusted to us and providing better services to the people of this province.

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

Mr. Maloway: Thank you, Madam Speaker. The tender calls for 25 percent of any cost savings to be given to the bidder in any effort to reduce the cost. Is this not turning over too much control to the successful bidder?

Mr. Pallister: Hardly, Madam Speaker. I am not quite sure if the member is saying this directly, but I think what he is implying is that it might be better not to have any savings at all. Of course, the reality is that if we can achieve economies within government, if we can deliver these services more effectively on behalf of all of us, on behalf of everyone in this province, we will all benefit. Certainly that is the focus of this whole initiative, that is the intention here, and I think that certainly based on the response thus far, the interest in this proposal, this request for proposal has been very heartening, very exciting. I believe that Manitoba small businesses are looking at this as an opportunity.

Mr. Maloway: My final supplementary to the same minister is this. Small Manitoba companies are cut out because they cannot get the bonding requirements nor can they afford to hire the 45 civil servants that are required or contemplated under this tender. Can the minister confirm this?

Mr. Pallister: Not only will I not confirm that, I will deny that because that is hogwash. The reality is that there are tremendous opportunities here for consortiums, for strategic alliances to take place among Manitoba small businesses. That is precisely what we expect to see happen, and I find it almost hilarious that the member opposite, who saw small business when he was in power as something to be gouged by the introduction of a tax on payroll, would now raise questions as if he was the defender of small business.

This is the best province in this country for small business because of the initiatives of this government. That is what The Globe and Mail has said and numerous business organizations echo that thought. So I am proud to see us continue that fine tradition on this side of the House.

Selkirk General Hospital Staff Layoffs

Mr. Gregory Dewar (Selkirk): Madam Speaker, my questions are for the Minister of Health. I have received

information today that indicates that the Minister of Health is giving a directive to the Selkirk & District General Hospital that a number of nursing positions must be deleted to comply with the government's budget reduction targets for Manitoba hospitals.

My question for the minister: Will the minister advise the House today why directives are being issued for staff layoffs and budgetary cutbacks during this time when health regions are supposed to be putting together their regional health plans?

Hon. James McCrae (Minister of Health): The adjustments to which the honourable member refers are being made in many places in Manitoba and have to do with hospitals making adjustments required to bring them into compliance with staffing guidelines which have been the subject of discussion for over a year and a half which finally led to decisions about staffing guidelines in acute care facilities throughout Manitoba, and it is in an effort for hospitals to make their staffing guidelines come into conformity with that, that these changes are being made. The staffing guidelines, incidentally, were arrived at through significant consultations carried out over a long period of time with hospital professionals, bedside caregivers, administrators and others.

Mr. Dewar: Madam Speaker, these adjustments will mean five nurses will be laid off at the Selkirk hospital. Since these plans are supposed to be in place by the end of this year, will the minister explain to the House today how the boards can be given any real authority over health care when changes are still being made from the minister's office with only a month before the plans are to be finalized by each region?

Mr. McCrae: The honourable member is correct in identifying difficulties that arise during a time of transition, a transition from one system of health care delivery to another one which is designed to provide maximum efficiency and maximum care for the patients in the health care system in Manitoba. It is at a time like this that we require co-operation from people like the honourable member and his colleagues more than ever before.

Mr. Dewar: My final question to the minister. Will the minister agree today to put on hold any further cutbacks and allow the boards to do their jobs?

Mr. McCrae: Madam Speaker, I remind the honourable member that in 1995 the spending in the Health portfolio was up \$60 million over the spending in 1994. That is not a cut, that is an increase in spending, actual over actual, year over year. So the honourable member and his colleagues who wish continually to bring forward the spectre of cuts in the health care system are just plain wrong and all they have to do is look at the quarterly reports that are put out by the Department of Finance as to spending in the Health department. He wants hospital administrators and others to be able to do their jobs; that is exactly what I want them to do too, and that is exactly what they are doing. The honourable member's question just demonstrated it.

* (1410)

Manitoba Telephone System Privatization

Mr. Steve Ashton (Thompson): Madam Speaker, the quarterly report for MTS has just been released in this House today, and it shows that there has been an increase of 9.1 percent operating revenues, or \$24 million, at MTS. In fact, the net earnings for the first six months of this year are going to be over \$15 million compared to \$6.9 million last year, and this with a far more modest rate increase than such private companies as AGT in Alberta.

I would like to ask the Minister responsible for MTS, since a lot of people ask me this question, and that is, why are they selling off a company that is proving it can be profitable, the Manitoba Telephone System?

Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act): Madam Speaker, I really thank the member for that question. It gives me a chance in this House to congratulate MTS on the very strong, effective way in which they are managing the corporation in meeting the competition of today. There are changes happening in the industry; MTS is responding to them.

In the time that this member remembers, it was a true monopoly in this province. Today, over 70 percent of the revenue stream is in competition. The company needs to be more aggressive than it could be under government ownership, be more responsive to the marketplace,

quicker to seek opportunities. Right in this report are identified niche markets that they can go after, and they want to have the freedom to move more effectively in the marketplace, and they can do it. They have over 80 percent of long distance revenues, one of the better records right across Canada. That is why the bottom line is good and it will be better in the future.

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

Mr. Ashton: That is right, congratulate them and sell them off in the process.

My follow-up question, Madam Speaker, and I want to refer to a response to a Freedom of Information request we put in. I would like to ask the Minister responsible for MTS if he can confirm something we have suspected on this side for quite some time, as has been confirmed by MTS, that they had no studies done on privatization and it is not using any studies for the privatization of MTS. Can he now confirm that the Manitoba Telephone System itself was not even given the opportunity to look at the question of privatization before this government made the dictatorial decision to sell off MTS with no consultation with the people of Manitoba?

Mr. Findlay: Madam Speaker, over the last many number of months, it has become obvious that things are really changing in the telecom industry. Manitoba Telephone System is owned by the government of Manitoba. We take the financial risk for the corporation. We guarantee its debt, and as we looked at the risks that we faced, three companies were hired to do an analysis of the risks for the future and what recommendations they would make as to how we would recapitalize the company, and that is what the government has done.

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

Privatization—Impact on Pensions

Mr. Steve Ashton (Thompson): Madam Speaker, I would like to ask the minister if he can also confirm that another group that was not consulted, perhaps the most unfortunate omission, were the pensioners of MTS, in fact. I am wondering how he can justify that we are receiving many calls from people who are receiving MTS

pensions today who are absolutely incensed that in Bill 67, the bill that sells off MTS, it indicates there is deemed consent for them to leave civil service super-annuation which guarantees their pension. How can he justify putting the pensions of MTS employees, all 1,300 Manitobans receiving those pensions, at risk?

Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act): Madam Speaker, there is no risk for the pensioners. The bill very clearly identifies that the plan will be equivalent in value. I want to remind the member when he left government, they had only funded a portion of the pension, some \$60 million out of \$200 million. Today, because of aggressive—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. Findlay: Madam Speaker, the member asked the question; I would like him to listen to the answer. Because of aggressive work by the Manitoba Telephone System—

An Honourable Member: Oh, oh.

Madam Speaker: Order, please.

Mr. Findlay: If anybody put the pension of MTS at risk, it was the people over there when they were in government. They did not fund the pension and they had run the debt load up to 91 percent. They are the ones who put it at risk. Today, the pension plan is fully funded and the legislation directs that the new plan will be equivalent in value. There is no risk for the pensioners. In fact—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable Minister responsible for the Manitoba Telephone System, to complete his response.

Mr. Findlay: Madam Speaker, Manitoba Telephone System executives have had numerous meetings with pensioners, explained the detail to them and when the meeting was over, the vast majority of people said, what is the issue here? That member will not listen to the facts

that exist and when explained to the people, they understand. I am sorry that member is not part of that.

Madam Speaker: The honourable member for Brandon East, with a very short question.

Mental Health Care Housing—Brandon, Manitoba

Mr. Leonard Evans (Brandon East): How about three short questions?

To the Minister of Family Services: On September 30, I asked the Minister of Family Services to look into the problem of those social allowance recipients, including mentally ill people, displaced by the closure of two apartment blocks in Brandon that were deemed to be unfit for human habitation. Two weeks later, Madam Speaker, in spite of the efforts of the Canadian Mental Health Association, two mentally ill persons are still forced to live in third-rate hotels in Brandon and at least two persons are now living in apartments that are substandard, filthy and deplorable.

Will the minister review this situation right away and tell us what action she will take?

Hon. Bonnie Mitchelson (Minister of Family Services): Madam Speaker, I thank my honourable friend for that question. I certainly take seriously my responsibilities. I do know that through the mental health system, they are attempting very aggressively to resolve the issues of placement of those individuals and they will continue to do so.

Madam Speaker: Time for Oral Questions has expired.

Speaker's Ruling

Madam Speaker: I have a ruling for the House.

On October 1, 1996, during Question Period, a point of order was raised by the opposition House leader about language used during Question Period by the honourable Minister of Highways and Transportation (Mr. Findlay). I took the matter under advisement in order to review the context within which the word "falsehood" was used. That word has in the past at times been ruled to be in order and at other times has been ruled out of order.

However, after I took the matter under advisement the minister withdrew the word in question. The matter is therefore concluded.

MEMBERS' STATEMENTS

Dr. Henry Friesen

Mr. Peter Dyck (Pembina): This evening the Morden Area Foundation will be honouring Dr. Henry Friesen, president of the Medical Research Council of Canada. Dr. Friesen is an internationally known Canadian medical scientist and educator. He is widely known for directing research and clinical trials into the effectiveness of using human growth hormones to stimulate the growth of very small children in a hormone-deficient state. Perhaps his most important scientific contribution has been the discovery of the human hormone, prolactin, and the development of a simple blood test to identify patients with tumours that secrete excessive amounts of the hormone.

* (1420)

As a result, many thousands of women and men with disorders of reproduction related to prolactin have been successfully treated. As well, more than 90 postdoctoral fellows and graduate students from medical centres around the world have been trained in his laboratory. Many of these are now in leadership positions in medical research in Canada, the United States, Japan, Australia and Europe.

The purpose of honouring Dr. Friesen is to raise money for the Morden Area Foundation. The community foundation provides a unique opportunity for residents, former and present, to invest in their community. This local investment can take the form of senior and youth programs, scholarships, environmental and social programs, heritage programs, arts projects and cultural activities.

So I would like to thank Dr. Friesen and the Morden Area Foundation for the work they have done and continue to do. Thank you very much.

Brandon General Hospital

Mr. Leonard Evans (Brandon East): Madam Speaker, the Brandon General Hospital is presently experiencing a funding shortfall—

Madam Speaker: Order, please. I wonder if I might ask those members having private meetings to do so quietly or move to the loge or outside the Chamber.

Mr. Leonard Evans: The Brandon General Hospital is now experiencing a funding shortfall of \$2.4 million. This is for the 1996-97 fiscal year. This is a direct result of funding cuts by the Department of Health of \$1.62 million plus cost increases because of inflation as well as the requirement to reinstate salary levels to the pre minus-2 level, even after management initiatives to cut expenses by \$279,000. Therefore, the bottom line is still a major funding shortfall of about \$2.4 million.

BGH is still looking for other cuts. If they were successful in finding another \$849,000 in cuts, they will still be short by \$1 million to try to maintain adequate services, but with these cuts, the hospital really has very little room to maneuver in future. The Minister of Health (Mr. McCrae) should realize that this major shortfall in funding will cause the quality of health to suffer in the Brandon area. Further, it means that there may be medical beds that are cut and a loss of speech therapy services, for example.

The cuts to the Brandon General Hospital have totalled \$7 million since 1990-91, and there does not seem to be any end in sight. At the present time the funding reduction thus far has meant a loss of 120 full-time positions and 40 beds have been eliminated. One of the biggest concerns is that the nursing staff is particularly overworked and the staff morale is generally down. Thank you.

Stony Mountain School

Mr. Edward Helwer (Gimli): I would like to tell all honourable members about an event that took place last Friday. On October 11, I had the pleasure of participating in the ribbon-cutting ceremonies for the opening of phase 2 of the Stony Mountain School outdoor ecological classroom and green space. The students, the staff and the Stony Mountain Home and School Association this summer undertook a project to develop an outdoor ecological site on the south side of Stony Mountain School.

The Environmental Youth Corps sponsored by the provincial Department of Environment issued a grant to

the school last year totalling \$5,000 for this project. The most impressive part of this project was the fact that, under the guidance of a qualified landscaper, many of the students participated in the construction of the ecological site. Last October, phase 1 of the project was completed where the old gravel walk was removed, trees and shrubs were planted to provide a natural habitat for birds and the front of the school was resoiled.

Only a year later the students were able to develop a playground area and to add some more trees, shrubs, picnic tables and benches at the back of the school. A parklike atmosphere has been created for the students and families of the Stony Mountain community using the structures and neighbouring recreation area. The playground will now be used for both pleasure and outdoor education classes.

I would like to congratulate all the participants of this project, especially the students of Stony Mountain School for their outstanding work. The students take great pride in their commitment to this undertaking for both the construction and the maintenance of this project and for addressing environmental concerns related to protection, enhancement, rehabilitation, conservation and resource management. Thank you, Madam Speaker.

Social Allowances Amendment Act

Mr. Tim Sale (Crescentwood): The Winnipeg Presbytery of the United Church wrote in their brief on Bill 36: "As a covenant community, the people of Israel were called to live with justice. Justice means sharing resources with all members of the community, The needs of the poor must have priority over the wants of the wealthy; the freedom of the dominated have priority over the liberty of the powerful; the participation of the marginalised must take priority over the preservation of an order that excludes them."

Another church group, St. Matthew-Maryland, wrote that effective May 1, 1996, city social assistance rates, after rent, were reduced to \$175. The job search requirements are a quarter of an individual's income for the month. A bus pass alone is a quarter of that \$175. Since the May cuts, a phone has become a luxury.

The Oblate Order, Justice and Peace, a Catholic order, wrote: In the midst of the controversy that surrounds

many changes made to our system of social services, we remember a thought-provoking parable given to us by Jesus. It is about a rich man who, living the good life, ignored the needs of the poor man, Lazarus. Today we are here to speak for many Lazaruses in our province.

Madam Speaker, Marlene Vieno, a real person, a person whose face and life and story spoke to the hearts of the NDP members on the committee, if not to the others, wrote: I want you to know that I have had to survive an impoverished lifestyle since birth. I have been through every mill of pain, abuse, traumatization you can think of, but I am a survivor. What you do not comprehend, simply because you have not had the experience, is how depressing and traumatically we are affected as those who are poor.

She goes on to challenge you to try surviving on an income of \$38 a week to cover food, laundry and household items.

Madam Speaker, I saw the face of Raymond Blue, a man with no teeth, waiting eight months on welfare simply to get his dental needs met. I saw the faces of aboriginal people who are full-time, low-income workers who have said that they cannot survive on the pittance that they are given over and above their allowance.

The real people of this province were there. I wish the government of this province would have listened to them. Thank you.

* (1430)

Federal Deficit

Mr. Gary Kowalski (The Maples): I rise to make a statement in regard to the announcement in Ottawa about the state of the finances of the country and Paul Martin's reduction of the federal deficit. Now, although Mr. Martin deserves credit—you know, in spite of us constantly being reminded in the House that we are in the same party, I would remind members also that I do not sit in the federal caucus.

I do want to congratulate the federal Minister of Finance for reducing the deficit; however, he cannot take full credit for it. I think there are many Canadians who have contributed to the effort, amongst them the 9.2

percent of the workforce who are unemployed. They have contributed to the lowering of the deficit. In addition, there has been a certain amount of offloading to the province who, in turn, offloaded to either user fees or to school boards or city councils and who, in turn, offloaded to user fees. In the end, it is always the taxpayer.

So the people who deserve the credit for the reduction in the federal deficit are the taxpayers of Canada and the unemployed of Canada. We congratulate Paul Martin for the reduction of the federal deficit, but we call upon him to put a higher priority into lowering the unemployment rate in Canada, and I am sure all members of this House support that. Thank you very much.

Committee Changes

Mr. George Hickes (Point Douglas): I move, seconded by the member for Broadway (Mr. Santos), that the composition of the Standing Committee on Law Amendments be amended as follows: Kildonan (Mr. Chomiak) for Burrows (Mr. Martindale); Swan River (Ms. Wowchuk) for Osborne (Ms. McGifford); Thompson (Mr. Ashton) for Crescentwood (Mr. Sale) for Tuesday, October 15, 1996, for 7 p.m.

Motion agreed to.

Mr. Edward Helwer (Gimli): Madam Speaker, I move, seconded by the member for Sturgeon Creek (Mr. McAlpine), that the committee change of the member for Steinbach (Mr. Driedger) for the member for Emerson (Mr. Penner)—this was for Law Amendments for Friday, October 11, at 9 a.m.—be rescinded.

I move, seconded by the member for Morris (Mr. Pitura), that the composition of the Standing Committee on Law Amendments for Friday, October 11, at 9 a.m. be amended as follows: the member for St. Norbert (Mr. Laurendeau) for the member for Arthur-Virden (Mr. Downey).

I move, seconded by the member for Turtle Mountain (Mr. Tweed), that the composition of the Standing Committee on Public Utilities and Natural Resources for Friday, October 11, 1996, the 10 a.m. sitting, be amended as follows: the member for St. Norbert (Mr. Laurendeau) for the member for Emerson (Mr. Penner);

the member for Niakwa (Mr. Reimer) for the member for Riel (Mr. Newman).

I move, seconded by the member for River Heights (Mr. Radcliffe), that the composition of the Standing Committee on Law Amendments—this is for the Tuesday evening, 7 p.m. sitting, October 15—be amended as follows: the member for Brandon West (Mr. McCrae) for the member for St. Norbert (Mr. Laurendeau); the member for Morris (Mr. Pitura) for the member for River East (Mrs. Mitchelson); the member for Sturgeon Creek (Mr. McAlpine) for the member for St. Vital (Mrs. Render) and the member for Emerson (Mr. Penner) for the member for Turtle Mountain (Mr. Tweed).

Motions agreed to.

ORDERS OF THE DAY

House Business

Hon. Jim Ernst (Government House Leader): Madam Speaker, Bill 49, The Regional Health Authorities Act will be dealt with tonight in committee. Should the committee not complete their work, I would propose to call the committee again—in fact, I will call the committee again for tomorrow evening at 7 p.m.

At 10 a.m., on October 22, the Standing Committee on Economic Development will meet to consider Bills 52 and 53 amongst any other bills that might be referred to the committee later.

Tuesday, October 22, will be Opposition Day.

Madam Speaker, there may be a will of the House to waive private members' hour.

Madam Speaker: Is there leave of the House to waive private members' hour? [agreed]

Mr. Ernst: Madam Speaker, would you then call Bills 46, 45, 28, 29, 22, 32, 62, 58 and 67.

Madam Speaker: In the Standing Committee on Law Amendments, if business on Bill 49 is not completed this evening at 7 p.m., the Committee on Law Amendments will reconvene tomorrow, Wednesday, October 16, at 7 p.m.

The Standing Committee on Economic Development will meet at 10 a.m. on Tuesday, October 22, to consider Bills 52 and 53. Tuesday, October 22, will be Opposition Day.

DEBATE ON SECOND READINGS

Bill 46—The Securities Amendment Act

Madam Speaker: To resume debate on second reading, on the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mr. Ernst), Bill 46, The Securities Amendment Act (Loi modifiant la Loi sur les valeurs mobilières), standing in the name of the honourable member for Rupertsland (Mr. Robinson). Is there leave to allow the bill to remain standing?

An Honourable Member: No.

Madam Speaker: No. Leave has been denied.

Mr. Jim Maloway (Elmwood): Madam Speaker, I will be the last speaker on this bill, and, hopefully, we can move it on to committee stage.

Bill 46, The Securities Amendment Act, came about following a recent court decision in Ontario which ruled that the Ontario Securities Commission was overstepping its legislative mandate, essentially by acting as a policy-making body. Other provinces have sought to clarify the authorities of their securities commissions, and there has also been a move to harmonization of regulations between the provinces.

The bill essentially reasserts the authority of the Manitoba Securities Commission to make regulations governing all aspects of securities trading. As I had indicated, we are in support of this bill and, with that, I would like to conclude my remarks and pass the bill to committee.

Madam Speaker: Is the House ready for the question? The question before the House is second reading Bill 46, The Securities Amendment Act.

Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

* (1440)

Bill 45—The Consumer Protection Amendment Act

Madam Speaker: To resume debate on second reading, Bill 45, The Consumer Protection Amendment Act (Loi modifiant la Loi sur la protection du consommateur), on the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mr. Ernst), standing in the name of the honourable member for Elmwood (Mr. Maloway), who has 25 minutes remaining, and standing in the name of the honourable member for Transcona (Mr. Reid).

Firstly, is there leave to permit the bill to remain standing in the name of the honourable member for Transcona?

An Honourable Member: No.

Madam Speaker: No? Leave has been denied.

The honourable member for Elmwood, who has 25 minutes remaining.

Mr. Jim Maloway (Elmwood): Madam Speaker, I will be the last speaker on this bill. At the end, I would hope that we could move it to committee.

I spoke for approximately five minutes the last time out about this bill, and so most of the details of the bill are a part of the record at this point. Bill 45 is The Consumer Protection Amendment Act and, as a background and as I explained before, this is part of the federal-provincial agreement on internal trade in 1995 and was a commitment by the provinces to harmonize direct seller legislation.

The idea was to present businesses with a uniform set of rules across the country and to harmonize upward to the highest provincial standard. You see, up until now you have, at any given set of regulations, 10 jurisdictions or 11 jurisdictions and 11 sets of rules. So a small business trying to operate in more than one province will find it detrimental and costly to get licensed in several provinces because of the different standards that apply.

What we are doing here, especially since we have a free trade agreement which covers Canada and the United States and Mexico, we have yet to have such an agreement among the provinces. So while we are nearly 10 years behind in catching up to the free trade agreement rules, in spite of that Manitoba is still one of the first provinces to move in terms of harmonization.

Just so that we are clear here, the bill will allow buyers up to 10 days to cancel sales agreements. This is up from seven previously, and I believe this is Saskatchewan's rule that we are adopting here. They have for several years now had a 10-day rule.

The bill will also allow a buyer to cancel an agreement up to a year after the purchase if the vendor has not lived up to the requirements of the act. It also gives the minister the authority to regulate the form of all written agreements for retail sales in retail hire purchases.

As I had indicated, our caucus is in favour and in support of this bill. At this point I would like to conclude my remarks and send the bill on to the committee.

Madam Speaker: Is the House ready for the question? The question before the House is second reading, Bill 45, The Consumer Protection Amendment Act.

Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

Bill 28—The Winnipeg Stock Exchange Act

Madam Speaker: To resume debate on second reading, Bill 28, The Winnipeg Stock Exchange Act (Loi sur la Bourse de Winnipeg), on the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mr. Ernst), standing in the name of the honourable member for Rupertsland (Mr. Robinson).

Is there leave to permit the bill to remain standing?

Some Honourable Members: No.

Madam Speaker: No? Leave has been denied.

Mr. Jim Maloway (Elmwood): I will be the last speaker from our caucus on this bill, and at the end of my remarks, I would move that we send the bill to committee.

This bill, Madam Speaker, The Winnipeg Stock Exchange Act, by way of background, the Stock Exchange was originally incorporated in 1903, but the legislation was effectively repealed a few years ago when it was not re-enacted in English and French in 1987. The Exchange has functioned without a legislative basis since then, but it has asked to be reincorporated with a slightly updated mandate and corporate structure.

The Winnipeg Stock Exchange will be a nonprofit corporation with its head office in Winnipeg. The directors will be elected by members to make and enforce by-laws of the corporation, and the corporation will be regulated by The Securities Act. As I had indicated, our caucus is in support of this bill, and we are quite supportive of the Exchange's move to deal in small-business securities. Thank you very much, Madam Speaker.

Madam Speaker: Is the House ready for the question? The question before the House is second reading of Bill 28, The Winnipeg Stock Exchange Act. Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

Bill 29—The Winnipeg Commodity Exchange Act

Madam Speaker: To resume debate on second reading on Bill 29, on the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mr. Ernst), The Winnipeg Commodity Exchange Act (Loi sur la Bourse des marchandises de Winnipeg), standing in the name of the honourable member for Elmwood (Mr. Maloway).

Mr. Jim Maloway (Elmwood): I will be the final speaker on this bill from our caucus. I would like to say at the outset that Bill 29, The Winnipeg Commodity Exchange Act, is a bill that calls for the incorporation of the Winnipeg Commodity Exchange. The objects of the corporation are to advance domestic and foreign trade by

trading in commodities. The board of directors may authorize persons other than members to trade on the exchange subject to such terms and conditions as are imposed by the board.

Madam Speaker, prior to the tabling of this bill, members of our caucus met with the Exchange. We were told at the time that the new legislation would be largely based on existing and draft Ontario legislation, and as a result we agreed to allow the legislation to continue. We fully support the incorporation of the Winnipeg Commodity Exchange, and as a result, we would recommend that this bill be sent to committee.

Mr. Gary Kowalski (The Maples): Madam Speaker, we support Bill 29 going to committee. Our understanding is this bill will incorporate the Commodity Exchange by an act of the Legislature and put on the same footing the stock in futures exchanges across the country. As in the case of the Stock Exchange, this act provides corporate objectives, procedures for elected directors, powers of the board and nonprofit status. It is a companion bill to Bill 28, which restores the Stock Exchange as the body incorporated by an act to the Legislature.

The Exchange was originally incorporated by an act of Legislature in 1903, but that was effectively repealed when it was not re-enacted in English and French. The Exchange has remained as a corporation in The Corporations Act. They wish to be reincorporated through the legislation to meet its current and future needs. It is hoped that an exchange will facilitate the listing of securities for small- and medium-sized business. The objective of the corporation is to operate in exchange for the trading of securities by members of the corporation. Members will be admitted according to the by-laws of the corporation. Directors are elected by members annually, and the balance of the act provides for the election of officers of the corporation, powers of the board.

Both bills, 28 and 29, we are pleased to support and happy to see it move on to committee, where we will anxiously be awaiting any public presentations that are made. Thank you, Madam Speaker.

Madam Speaker: Is the House ready for the question? The question before the House is second reading of Bill

29, The Winnipeg Commodity Exchange Act. Is it the will of the House to adopt the motion?

An Honourable Member: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

Bill 22—The Credit Unions and Caisses Populaires Amendment Act

Madam Speaker: To resume debate on second reading on the proposed motion of the honourable Minister of Consumer and Corporate Affairs (Mr. Ernst), Bill 22, The Credit Unions and Caisses Populaires Amendment Act (Loi modifiant la Loi sur les caisses populaires et les credit unions), standing in the name of the honourable member for Osborne (Ms. McGifford).

Is there leave to permit the bill to remain standing?

An Honourable Member: No.

Madam Speaker: No. Leave has been denied.

Mr. Jim Maloway (Elmwood): Madam Speaker, I will be the final speaker from our caucus on this bill, and at the end of my remarks, I would hope that we could pass the bill to committee.

Bill 22, The Credit Unions and Caisses Populaires Amendment Act, involves the first updating of the act since it was introduced in 1987, and it follows a review and consultation process involving the directors of the credit unions. Most of the proposed changes address issues of accountability, stability and potential conflicts of interest involving directors. For example, among the changes are the following: The audit committees will be mandatory for all credit unions and their duties will be prescribed by the act. The maximum loan to any member is reduced from 10 percent to 5 percent of the share capital. Minimums for capital reserves are raised. Minimum requirements for board reports of the membership are expanded and directors in arrears of debt payments to credit unions will be disqualified.

I think, Madam Speaker, that we have dealt with this bill adequately and would move at this point to send the bill to committee for further study. Thank you.

Madam Speaker: Is the House ready for the question? The question before the House is second reading, Bill 22, The Credit Unions and Caisses Populaires Amendment Act. Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

* (1450)

Bill 32—The Council on Post-Secondary Education Act

Madam Speaker: To resume second reading debate on the proposed motion of the honourable Minister of Education and Training (Mrs. McIntosh), Bill 32, The Council on Post-Secondary Education Act (Loi sur le Conseil de l'enseignement postsecondaire), standing in the name of the honourable member for Transcona (Mr. Reid).

Is there leave to permit the bill to remain standing?

An Honourable Member: No.

Madam Speaker: No. Leave has been denied.

Ms. Diane McGifford (Osborne): Madam Speaker, I will be the last speaker for this side of the House on The Council on Post-Secondary Education Act.

Today, I rise to join with my colleague from Wolseley in order to address Bill 32, The Council on Post-Secondary Education Act. My colleague when she spoke last week pointed out that this bill is one of a series of education bills which includes Bills 33, 47, 48 and, of course, Bill 72 which we see as a particularly notorious and obnoxious bill and, of course, we will be talking about that bill later on in the session.

These education bills share a common vision and purpose and that common vision and purpose is centralizing power over education in Manitoba and, consequently, Madam Speaker, undermining the current governance in our public education institutions. This is true whether we talk about the public school level or whether we talk about the post-secondary education level. In the former, that is, in the case of public education, Bills 33 and 37 are intent on centralizing, while current practices of the government, for example, reduce funding

for public education and a relentless attack on Manitoba's teachers are open and visible signs, I suggest, of the government's intention to break the back of public education in our province. Then there is Bill 72, an open slap in the face to Manitoba's teachers and a sign of this government's disrespect for professional educators.

Now Bills 32 and 48 are added to the mix. The former would have power—that is, Bill 32 would have power not only over the purse strings but also over programming at all Manitoba universities and colleges. Even more distressing, the effect of Bill 32 and the power over the purse strings at universities and colleges would be to politicize universities, the primary functions of which hitherto have been to cultivate ideas, to develop the life of the mind, to promote humane and disinterested research and to provide a forum in which opinion might be freely and openly expressed.

Clearly, in the long march of universities from medieval times when universities were first established as refuges of learning and knowledge until the last decade of the 20th century, that is until now, universities were not intended to serve political parties, not even intended to serve the political party that forms government. Bill 32 could well reverse a thousand years of tradition, and a good tradition it has been, especially if one respects scholarship, humanism and disinterested research.

One of my constituents, a woman who spent over 40 years of her life in education, encapsulated her view of the current crop of education bills this way, and I quote, although I am not using her name because I have not asked permission, but I quote. She writes: The bills confirmed—

An Honourable Member: Anonymous.

Ms. McGifford: Now, I hear some calls of anonymous. If the person who is shouting anonymous at me really wants to know, I can check with my constituent and inform him. I am sure she stands by her word: The bills confirmed what I already knew, that this government is determined to undermine public education in Manitoba and has no respect for—

Point of Order

Hon. Brian Pallister (Minister of Government Services): On a point of order, just to clarify, I believe

the rules of the House state that we are not to read from documents unless we are willing to table them. If that is the correct ruling, perhaps—just asking.

Madam Speaker: On the point of order raised by the honourable member for Portage la Prairie, the honourable member for Portage la Prairie does not have a point of order.

Rule 34 is explicit. If it is a private letter, I do not believe—[interjection] Order, please. I am not aware that the honourable member for Osborne was reading from a private letter, but I will do the honourable thing and ask the honourable member for Osborne if she is reading that quotation from a private letter. I assumed she was reading from her scripted notes, but I may have made an incorrect assumption.

The honourable member for Osborne, for clarification.

Ms. McGifford: Madam Speaker, I am reading from material presented during a public meeting.

Madam Speaker: But you are currently not reading from a private letter.

Ms. McGifford: No, Madam Speaker.

Madam Speaker: Therefore the rule is very clear. Our House Rule 34 states that if a member requests that a member table something being quoted from a private letter, the member is obliged to do so. Therefore, my previous ruling stands. The honourable Minister of Government Services (Mr. Pallister) does not have a point of order.

* * *

Ms. McGifford: The gist of what I wanted to say was that this government appears to be determined to undermine public education in Manitoba, that it has no respect for learning except as it affects the marketplace and private enterprise. This is basically a precis of what my constituent said at a meeting in the constituency.

I want to reiterate that these comments are those of an internationally respected educator, a woman who is a poet, a champion of human rights and who, I proudly

add, was my elementary school principal and is now one of my constituents in Osborne.

So ends my preamble. I only want to add a quick note about Bills 33 and 47 before moving on to Bill 32. I want to add this statement because I am speaking generally of the context of Bill 32 and the attack on education at all levels in Manitoba.

(Mr. Marcel Laurendeau, Deputy Speaker, in the Chair)

Anyway, I wanted to add that having been brought up on the theory that co-operation is more important than competition—and here I want again to refer to my wise constituent who has told me that she believes the kind of choice which Bills 33 and 47 would foster inevitably leads to destruction of an important social principle, and that is that schools should not be competing for pupils but, rather, they should be sharing ideas.

Furthermore, as she told me, in the current proposed legislation choice will be limited to those children whose parents can afford to pay for transportation, leaving out those whose parents cannot, as well as young children who are not old enough or responsible enough to use public transport and have no other means of going to a school. In fact, the so-called choice schools may well syphon off pupils from what might have been a good school but did not happen to meet the expectations of an influential group of parents. This, of course, could be irreparably damaging, not only to our education system and to a particular school, but to a whole neighbourhood, indeed to a whole community.

I think we are extraordinarily fortunate to have the wisdom of our elders, and I thank my constituent for sharing her ideas with me. I am sure she will be interested in reading Hansard and the debates on public education.

Back to Bill 32, I know that in her address to the House, the honourable member for Wolseley (Ms. Friesen) discussed the genesis of the bill in the Roblin report. She noted the general move on the part of this government towards central control and the empowering of nonelected officials in domains which have hitherto been the jurisdiction of elected officials, and this is something that she lamented.

In addition to addressing the bill's genesis, its purpose, its importance, the member for Wolseley also addressed the concerns about centralizing powers over education. She expounded on what she saw as the government's disdain for education in general. She compared and contrasted the government's educational agenda to that of other jurisdictions and, finally, she spoke and I think she spoke most eloquently and movingly about the need to protect the university.

* (1500)

Here I, of course, refer to the principles of academic freedom. She spoke about the rights of universities to determine their programs, their appointments, their admission standards, their graduation standards and all other academic policies. In these ways, as in other ways, the university is accountable to the public.

When the member for Wolseley addressed the idea of the university and the role of the university as an institution which should foster debate and dissent, which should be a crucible of creativity, to use her words, and which should also be a guardian of liberty and which should reflect for us the best of human endeavours, when she spoke in this way last week and used to illustrate her argument one of her former professors, a person for whom the member for Wolseley has great respect and great affection, I noticed that members on the other side of the House were catcalling and chortling and that one member called from his bench and described my critic's attitude as maudlin.

Well, it seems to me that nothing could be further from the truth and, clearly, this member lacked the discernment to really separate sentiment from sentimentality and melancholia. It would seem to me he would do well to set his personal house in order and that he owes the member for Wolseley an apology, but, Mr. Deputy Speaker, I do not really raise this point particularly to chastise this member, who well knows who he is. He is no better and no worse than many of his colleagues though, in fairness, I think it is important to acknowledge that many members opposite do behave with respect, and I honour their behaviour and I also sympathize with the embarrassment they must often feel—

Mr. Deputy Speaker: Order, please. I would like to thank the member for giving the House the reference to

decorum, but at this time we are debating Bill 32, and I would appreciate if we were being relevant to the bill. The honourable member, to continue.

Ms. McGifford: Yes, you are right, my real concern is not rudeness but the contempt for learning that underlies this member's outburst and with the contempt for learning that characterizes much of the caucus opposite. As I said, there are exceptions. This same contempt was clear in last year's attitudes towards the University of Manitoba's strike and in many of the Premier's (Mr. Filmon) off-the-record catcalls from his bench and in his already famous letter to Harvard University, inadvertently directed, I believe, to the department of astrology as opposed to that of astronomy.

The contempt for learning is clear in the fact that consultation with the university community or, indeed, with any community which reflected the diverse face of Manitoba—that consultation in drafting Bill 32 was so minimal as to be nonexistent. I understand that university presidents were summoned in for approximately 30-minute consultations, faculty and students exercising muscle, I believe, achieved as long as an hour. Now, even I as a single MLA did more consulting with the university community than did this committee.

Contempt for higher learning emerges clearly in the composition of the interim transition committee which government appointed to prepare Bill 32. It seems to me that the Minister of Education (Mrs. McIntosh) wants to ask me a question.

Mr. Deputy Speaker: Order, please. The Minister of Education, on a point of order.

Point of Order

Hon. Linda McIntosh (Minister of Education and Training): For clarification, the member said that she alone spent more hours than my entire interim transition committee in consulting with the universities. I wonder if she could tell me how many hours she spent and how many hours my consultant spent. Rather than just allude to it, if she could please provide the number of hours she spent consulting, et cetera, and then if she could also provide the number of hours that the government team spent.

Mr. Deputy Speaker: Order, please. The honourable minister did not have a point of order. It is clearly a dispute over the facts.

The honourable member, to continue.

* * *

Ms. McGifford: Now, the Minister of Education is talking about courtesy and courage from her bench—[interjection]

Mr. Deputy Speaker: Order, please. The decorum is starting to lack a little bit in the Chamber at this time. Could I ask those honourable members wanting to carry on their conversations to do so in the loge. At this time, the honourable member for Osborne has the floor, and I ask the House to show a little respect.

The honourable member for Osborne, to continue.

Ms. McGifford: To return to Bill 32, as the member for Wolseley (Ms. Friesen) pointed out last week, there were one or two exceptions in this post-secondary education council, but basically the council was composed of persons unfamiliar with higher education. Like the Roblin commission, I understand they were again not a representative group of Manitobans, that there was not a fair representative group from rural Manitoba, northern Manitoba, aboriginal people, multicultural people. Where were they on either one of those committees?

Mr. Deputy Speaker, can anyone begin to imagine a provincial initiative which involved, let us say, mining? Can anyone begin an initiative involving an industry like this which did not include representatives of the community? Can we begin to imagine legislation involving the mining industry and affecting the mining industry and not involving these captains of industry in absolutely every stage of the drafted legislation?

Of course, we cannot, but I understand this is what happened in the drafting of the post-secondary education council act. Indeed, there appears, Mr. Deputy Speaker, to be two different standards in Manitoba. This government consults with industry and business but dictates to teachers, academics and health care workers. I fear that the next attack will be on social workers and that is one of the reasons for opening up The Child and Family Services Act.

Finally, Mr. Deputy Speaker, contempt for universities and higher learning is evident in the concerns of the three university senates, in the concerns of MOFA and in those of the Canadian Federation of Students. When all key players, all the groups most affected by legislation are deeply distressed, then fair-minded governments usually take this as a sign that the purpose of their legislation and the proposed legislation is flawed, that it requires redrafting and that it requires amendments.

I am sure that the minister, herself, will have the opportunity to hear from the key players, including the groups that I just mentioned, at the committee hearings. I hope that the presentations at this level will lead her to re-envision, reverse and perhaps revise or redraft Bill 32. Again, I remind the minister that in democratically elected jurisdictions, the voices of those most affected do merit attention and respect. Their views simply must be heard and considered.

Other jurisdictions in Canada have behaved judiciously and listened to other voices. Other jurisdictions have behaved even with due diligence in regard to educational reform. The member for Wolseley (Ms. Friesen) cited Saskatchewan, and I certainly endorse her remarks about Saskatchewan. She also indicated as I do, too, the example of New Brunswick where the Premier has been a tireless supporter of the University of New Brunswick and of the economic role of universities. New Brunswick, like Manitoba, was a low-growth area without the great advantages of a province like, for example, Alberta which, because it is rich in resources, has managed to attract a lot of head offices and a lot of industry. New Brunswick was quite different, much more akin to Manitoba, but the New Brunswick Premier's support for money measures, including universities in research and development, have produced a minor economic miracle in New Brunswick.

* (1510)

Back home, this government talks about education and training as the wave of the future, as key elements in the growth and economic prosperity of our province, as the key to employment. They even talk about education and training as the solution to welfare. Yet this government opposite, the Tory team, never lose an opportunity to undermine education, whether it be public education or post-secondary education, and I know that my side of the

House has talked and talked about cuts to all kinds of university programs.

The ostensible purpose of Bill 32 may be, and I quote, to bring better co-ordination, articulation and planning to post-secondary education. This is what the minister told us when she spoke at second reading, but the subtext of this bill is everywhere apparent. It seems to me the subtext or the hidden agenda, the hidden meaning of this bill, is to erode the independence of universities and to curb the rational and thoughtful criticism of the those in power.

Let us hope, Mr. Deputy Speaker, that the minister, given the opportunity, will recollect this bill in tranquility and recognize the dangers inherent in this act. Let us hope that public response will move her and enable her to frame legislation that respects the traditions of scholarship, humanism and disinterested research. After all, the majority of Manitobans do want a province which is synonymous with excellence. The majority of Manitobans do not want a province which is synonymous with Philistinism, and this bill speaks with the voice of the Philistine.

With these remarks, Mr. Deputy Speaker, I conclude my part and pass the bill along to committee hearings. Thank you.

Mr. Gary Kowalski (The Maples): Before the member for Osborne (Ms. McGifford) passes the bill to committee, I would like to put a few words on the record in regard to Bill 32, The Council on Post-Secondary Education Act. As said, this bill establishes the Council on Post-Secondary Education as recommended in the Roblin report. The council, it is hoped, will bring better co-ordination and planning to the post-secondary education sector by bringing universities and community colleges together under a single body. The seven institutions that will be affected by this act are the Keewatin Community College, Assiniboine Community College, Red River Community College, University of Manitoba, University of Winnipeg, Brandon University and Collège universitaire de Saint-Boniface.

The Colleges Secretariat and the Universities Grants Commission will also be replaced by an administration unit for the council. Manitoba is the first province to lump universities and community colleges together in this

manner. So this is very much an experiment other provinces will be watching. The whole council will be comprised of 11 members appointed by an Order-in-Council to a three-year term, which is renewable once. How effective will the council be? This is a good question since cuts to post-secondary education are a major problem facing these institutions, not administration.

We have taken a look at the last six reports to Parliament on federal and provincial support to post-secondary education in Canada. These reports offer us a chance to compare post-secondary education spending among the provinces. Of course, there is no EPF anymore, Established Programs Financing. The new Canadian Social Transfer makes all this old history, but the point is still there that Manitoba used to underfund post-secondary education compared to what other provinces were doing. Now, the CST, the Canadian Social Transfer fund, makes this harder to track. But in 1993-94 Manitoba spent less money per person on post-secondary education than every other province except Saskatchewan. This is also the case when you exclude federal Established Programs Financing. Then, from 1988 to 1994, Manitoba spent less money per person on post-secondary education than any other province except B.C.

Regardless of the federal government's commitment, when it comes to spending its own money on post-secondary education, the province has been reducing its support. In 1991-92 Manitoba spent \$58 million on post-secondary education after EPF. In '93-94, they spent \$48 million. So it is definitely a drop in spending by this government. Similarly, had Manitoba's spending on post-secondary education been in line with the national average, from '88 to '94 the province would have spent an additional \$106 million on post-secondary education.

The other concern, and it has been expressed by many, both in this Chamber and commentators, editorial writers, academics, is that this bill goes along with many other government bills and legislation about micromanaging society here in Manitoba by the government. Where so many other organizations are pushing down the level of decision making to the lowest level where the decision can be made, this bill puts more power into the minister's office, more power into cabinet, and more power into the

czar of post-secondary education and this board. We are always concerned about the superboards, whether it is a regional health care board or this COPE board, Council on Post-Secondary Education.

Yes, Tories will support and appoint Tories to their boards; Liberals will support Liberals to their boards; the NDP, when they are in power, put NDP members to their board. But there is a danger in that. Do those boards really reflect the society that they are serving? An example would be in my own constituency, the Seven Oaks Hospital board. The north end of Winnipeg has never been known as a Tory stronghold, yet the majority of members of the Seven Oaks Hospital board have a Tory connection. They are very fine people. They do fine work, and work very hard, but you have to really question, if you look at the voter trend in the north end, Tory values are not what the people of the north end want, yet their hospital is run by a Tory board. So do the values that are brought to the board by those members really reflect what people really want in the north end?

It is the same with these superboards on post-secondary education. Will they mainly represent Tory values, or will they represent the value of what Manitobans in general want? You must remember that the majority of Manitobans did not vote for a Tory candidate, if you look at the popular vote in the last election, so there is always a danger and, when we look at the superboards made of appointments from government, that is a very big concern.

Nowhere in this legislation that I am aware of are the criteria for being a board member ever stated and, yes, I am sure these people will have some background or involvement with post-secondary education, but which will be more important, their Tory connections or their background in post-secondary education? So we are concerned about that.

One of the objectives is to look at articulation, where a course that is taken at Red River could be used as credit for the University of Manitoba, and courses at University of Manitoba could be used as credit to Keewatin College, and I think this is using a sledgehammer to swat a fly to solve that problem. Many of those institutions were moving and co-operatively moving towards articulation of many courses, and possibly with assistance and help from the government they could have moved more

quickly, but now we are using a sledgehammer by this Council on Post-Secondary Education.

The other thing that this bill talks about is efficiencies in courses, and what could be viewed as an efficiency by the government, with the main priority always being fiscal, we worry that if there might be other priorities that they will be forgotten about, for example, teacher education programs in Manitoba. Right now there is a teacher education program at Brandon University, there is a teacher education program at the University of Winnipeg and the University of Manitoba. So if a person, without doing too much investigation says we should only have one teacher education program, that would be more efficient.

But each program has unique aspects to it. For example, the teacher education program at Brandon University has been very successful at recruiting and training aboriginal teachers to a degree that University of Winnipeg and University of Manitoba teacher education programs have not reached. So if a Tory board with Tory values, which would be, fiscal priorities come before all else, would they take that into consideration in deciding whether to keep a teacher education program at Brandon University and elsewhere, or would the fiscal saving override all other concerns?

* (1520)

I was pleased that the member for Osborne (Ms. McGifford) looked to New Brunswick for strong support for the educational system. Frank McKenna, the Liberal Premier there, has always put education as a high priority and, as a result, as the member for Osborne (Ms. McGifford) says, New Brunswick, for a small province, with the only natural resource being a lot of Liberals, has done a wonderful job at generating—[interjection] The member says, lots of Liberals, where? New Brunswick. And I think the performance of that province's economy, job creation, you know, is evidence that those values could work in any province and should be shared.

So the other concern that we have and has been talked about in this Chamber and elsewhere is about government control, about what happens to academic independence. This government-appointed superboard of, more than likely, people with Tory connections—because you do not appoint your enemies to your boards, you appoint your friends.

Now, if a university professor is very critical of the government and its program, does that mean that his program will be cancelled, or if he asked for expansion of this program it will be denied? So, you know, this is quite a concern, that politics will drive decisions on post-secondary education more so than any other concern.

So with those few comments, Mr. Deputy Speaker, we know that there are a large number of people looking forward to making presentations to the committee. We look forward to listening to them, and we hope that the government will listen to those presentations and make amendments to this very troubling bill. Thank you very much.

Mr. Deputy Speaker: Is the House ready for the question? The question before the House is second reading, Bill 32. Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Mr. Deputy Speaker: Agreed? Agreed and so ordered.

The honourable member for Thompson, on a point of order.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Mr. Deputy Speaker, I rise on a point of order.

I just received a copy of the letter tabled by the Minister of Justice (Mrs. Vodrey) earlier, a letter which was tabled under the requirements of our rules which require that reference to private correspondence which is quoted from has to be tabled in the House, and, in fact, the Speaker made a ruling on that earlier.

I note that the letter was only a partial letter and, in particular, did not include a transcript which was attached to the letter which is an integral part of the letter. I would therefore raise the point of order as to whether the Minister of Justice, who quoted quite extensively from this letter and was required by a ruling of the Speaker to table the letter, should have, in fact, tabled the entire letter and not edited out what was an integral part.

I would quote for the record that the letter itself refers to: Later the same day the CBC did provide a further

transcript, and I am enclosing a copy for same for your perusal.

The bottom line, Mr. Deputy Speaker, is that this does not satisfy the ruling of the Speaker. This is only a partial copy of the letter, and I would like to ask that you require the Minister of Justice not to give us partial information but to table the entire document, as was requested in Question Period and as was required by the Speaker through her ruling.

I raise that, Mr. Deputy Speaker, with the hope that you will be able to make a ruling on this—or perhaps the Speaker—as soon as possible, because we would like to have the complete information to us as members of the Legislature, which we feel is important for us to be able to raise questions on this very important issue.

So, once again, it is to do with the omission of providing only a partial part of the letter and not the entire letter.

Mr. Deputy Speaker: I thank the honourable member for Thompson. I will take the matter under advisement and will return to the House.

Bill 62—The Jobs Fund Repeal Act

Mr. Deputy Speaker: On the proposed motion of the honourable Minister of Environment (Mr. Cummings), Bill 62, The Jobs Fund Repeal Act (Loi abrogeant la Loi sur le Fonds de soutien à l'emploi), standing in the name of the honourable member for Swan River (Ms. Wowchuk). Stand? No, leave has been denied.

Is the House ready for the question? The question before the House is second reading Bill 62.

Mr. Steve Ashton (Thompson): Mr. Deputy Speaker, I just had a few comments to put on the record. We will be putting the bill through to a vote at this point in time, but I do want to indicate that it is rather interesting that this bill refers to very much what had happened in terms of the Jobs Fund, et cetera.

I think it is important to put on the record, and I think members opposite may wish to put on the record, too, if they are to be given fair consideration to what happened

with the Jobs Fund, some of the significant improvements that were put in place in many communities throughout Manitoba as part of the Jobs Fund at a very difficult time for this province, the mid-1980s, when, in fact, we were faced with the recession at the time which had affected all of the country. We had led the way into the recession under the previous Lyon government, and we were in the position of very much facing a dilemma in terms of jobs.

I think it is rather interesting because it is an issue that is very much in the news today. We see nationally, just this past Friday, a major jump in the unemployment rate. What is interesting is that I think everyone is recognizing at the national level—even the Reform Party is talking about jobs, jobs, jobs. You know, the born-again jobs party at the federal level, they are talking about the fact obviously that something has not quite gone right in this country. Certainly, there is the promise we received at the federal level and also at the provincial level, but we still have significantly high levels of unemployment.

I think that is important because, coming from an area that traditionally has had high unemployment, there are basically two approaches that you can follow. One is a passive approach, and that is what is being followed currently, Mr. Deputy Speaker. We do not have job creation programs. We have very limited access to the few programs that might benefit northern Manitoba, particularly the Community Places Program. But there is another alternative, and there is not a community in northern Manitoba or in rural Manitoba that has not benefited from the program that we are discussing today, which is going to be repealed as a result of this act. There are community assets in every single community in this province that were a result of the Jobs Fund.

What I find interesting is that people will lump together the Jobs Fund, and they will not reflect on the fact that what there was—[interjection] The Minister responsible for Environment (Mr. Cummings) says there were a lot of signs out. There were a lot of projects. He should talk about signs. I notice these blue signs that appear periodically, particularly those highway development signs in certain select constituencies in Manitoba. Unfortunately, there are not too many blue signs in northern Manitoba. I think that has probably to do with the fact that there are not so many blue signs at election time, so we do not get those blue highway signs afterwards.

* (1530)

But the Jobs Fund brought together a series of programs that were in place and expanded upon those programs to put in community resources. I want to reflect on the kind of job creation projects that we saw. We have seen many areas in Manitoba where recreation complexes were built or upgraded as a result of the Jobs Fund, and people know that. By the way, it would be interesting, because there are some members who go back to the original debate on that—what was telling about the Jobs Fund was how they voted when it came to implementing the Jobs Fund. They did not vote against the Jobs Fund. It was interesting. They went around the province criticizing it, but they did not vote against it. How were they going to vote against some of the significant projects in their area?

I think it is important to stress that this reached down to every single community in Manitoba. Whether people agree or disagree on the degree of the scope of the Jobs Fund or indeed whether you need to have that kind of facility development when you are in a situation when you have high rates of unemployment, I think obviously, on balance, the Jobs Fund did improve in many ways the quality of life in Manitoba, and I want to stress that it was particularly important for a lot of young people.

The most unfortunate aspects, I believe, of the last few years has been the fact that we do not have the same kind of recognition of the unique circumstance that many young people are in, in terms of getting first job experience, et cetera. The number of programs that we have in place are relatively limited. They have been cut back the last number of years, the CareerStart program, in particular. The fact that it continues to exist, I think, shows that what we are dealing with here is not a big debate over principle. I think even the Conservatives at times recognize the need for this kind of job creation, and I think it is important to recognize.

I will give you an example of some of the kind of benefits we saw in northern Manitoba as a result of the Jobs Fund. There are many young people in remote communities for whom the Jobs Fund programs which involved community development, which involved facility development, were their first employment. [interjection] The Deputy Premier (Mr. Downey) says, get a real job. I can assure the Deputy Premier that every

single one of the people working in those Jobs Fund programs felt that they were real jobs, certainly more real than sitting at home being unemployed. That was part of it. I wish the Deputy Premier would not talk so condescendingly about the unique situation that many young people are faced with.

Every year, I survey the Grade 12 graduates in my constituency, my old high school, R. D. Parker Collegiate, and other high schools. You know, one thing that young people say is that they do need the opportunity to gain some experience, and that is where some of these programs have had a very significant benefit.

No one is suggesting that the Jobs Fund or any program can as of itself solve the problem of unemployment, but I think there are certain people, and particularly young people in rural and northern Manitoba, who need that kind of experience in their own community. You know, there are still many people who have to leave rural Manitoba or northern Manitoba to come to the city to get that kind of access to the kind of varied job experience that they need. I will show members opposite some of the surveys I have received, but I am sure they get the same sort of feedback from young people in their constituency whether they survey them or talk to them directly.

There is I say a lot of argument, and I find it interesting because the government talks about workfare, but the best way to get off welfare or unemployment, get in the workforce, is a job. In areas such as northern Manitoba where you have high rates of unemployment, often there just is not the access to any kind of employment that we have. We do not have any Hydro construction, so the construction is not in existence. We do not have—

An Honourable Member: Lots of mining going on.

Mr. Ashton: Well, members opposite are talking about mining, but mining is not hiring. The members should know that, and the Deputy Premier (Mr. Downey) if he was to check the figures would know that as well, that mining is not producing more jobs. In fact, at Inco in my own community, in the last number of years we have lost 200 jobs because of the downsizing at Inco, and, in fact, they are hiring back 100. We have lost a net amount of 100 jobs. There are many resource industries who are in the same boat in northern Manitoba.

The bottom line, Mr. Deputy Speaker, is that there are a lot of young people in my community—I think most people on that side, particularly in rural areas, would see this as well—a lot of people working in my community in fast-food jobs, and those are jobs, that is fair enough, but at minimum wage, whereas 10, 20 years ago they would have been working at \$22 an hour or \$15 or \$10 an hour. I ask the question if that is not what is happening in many communities—

Mr. Deputy Speaker: Order, please. I am showing quite a bit of patience here, but it is getting a little bit beyond where I am ready to let it get to. All honourable members will have the opportunity to speak to this bill if they so choose. At this time, the honourable member for Thompson has the floor, and I would appreciate it if we would listen.

The honourable member for Thompson, to continue.

Mr. Ashton: Thank you, Mr. Deputy Speaker, and I appreciate the fact that people are becoming more enthused to talk about this subject. I welcome that because—[interjection] The Minister of Agriculture (Mr. Enns) says that on that side, they are muzzled, but I will not touch that comment. I do not want to get into internal affairs in the PC caucus.

In fact, I must say that I miss the contributions that the minister made on frequent occasions when he was in opposition and makes on infrequent occasions in government, because the Minister of Agriculture has given some of the best speeches I have seen in this House, some of which I actually agreed with, maybe one or two. But whether I agreed with his speeches or not—and I remember some of the debate on this issue, job creation—

An Honourable Member: We are under new management now.

Mr. Ashton: The Minister of Agriculture says they are under new management. That is true, Mr. Deputy Speaker. There has been quite a management shift over there. We suggest it is a promanagement shift, but whether indeed that is a result of some of the reduced debate in this House, I do think these are important issues.

I look at this Jobs Fund, for example. I mentioned some members who were here and voted for the passage

of the Jobs Fund and then went and criticized it, so I always get a kick out of them accusing us of trying to have it both ways. I could not imagine having it both ways more than voting for the Jobs Fund in the House—and the Minister of Natural Resources (Mr. Driedger) remembers that; he was part of the Legislature at the time—and then they went around and they criticized it.

But, you know, whenever there was an opening in their constituency, they did manage to kind of get their way into the ribbon-cutting ceremonies. [interjection] Well, the Deputy Premier (Mr. Downey) says there were never any in his constituency, and he knows that is not the case. There were many in southwest Manitoba [interjection] Well, yes, I think Lakeside did fairly well. Lakeside did very well. I remember the days when we were in government and we would sort of suggest that it was the MLA working hard or not working hard. Those kind of debates go back and forth, and that is one thing that is constant whether you are in government or opposition, is that sort of debate that goes back and forth.

The fact is they voted for the Jobs Fund and it created a lot of good benefits. I had the Tory candidate in my constituency in the last election and the campaign manager running around saying, the Jobs Fund did not do anything. I get a real kick out of that because, I kept saying, but you know your party voted for it. It may be one of the reasons why the result went that way in northern Manitoba. People remember the Jobs Fund. There were a lot of people involved with community organizations who benefited from the Jobs Fund.

We are not talking about job creation for the sake of job creation. I can point to very specific examples in my—[interjection] Well, the Minister of Natural Resources (Mr. Driedger) says, that is exactly what it was, but I can see improvements to service clubs in my constituency, to churches, to community facilities. They were all part of the Jobs Fund. All of them passed because of that.

Mr. Deputy Speaker, I can point to many areas, and I will just take my own constituency as an example, where you have many areas that could be developed by a similar sort of project. What I found was perhaps the most interesting in dealing with the Jobs Funds was how we could learn a lot of lessons from many First Nations

communities, because they made sure that the employment that was available for these Jobs Fund programs was used to the betterment of the community and was also shared between people in the community, because it really is a concern in communities that have 80-90 percent unemployment that everyone have some option. What I found most particularly encouraging was the fact that most communities wanted to have a component built in for young people.

* (1540)

Mr. Deputy Speaker, I think if you have a healthy private sector, as is the case in many communities, perhaps you do not need that same kind of emphasis on job creation, but put yourself in the situation of many communities in northern Manitoba. We have virtually no private sector. As I said, there is no hydro development, no construction which could pull in people of that particular experience—[interjection] Well, they are not repairing roads, as the member for St. James (Ms. Mihychuk) says, up north. Funnily enough, there just are not the repair contracts, but that is another issue that we can get into.

But the bottom line is, I think there is a role for the type of program we saw in the Jobs Fund in the 1990s. It may be more focused, it may be on a smaller scale, particularly given the fact that the Jobs Fund was really brought in at the time of the recession, but I think there is a role.

What I want to point out is, if you look back historically in terms of economic performance in this province, that the combination of the Jobs Fund and hydro development through Limestone at the time produced one of the quickest and fastest recoveries from the recession of any province in the country. It is interesting because they criticized us on developing Limestone, they criticized us on the Jobs Fund, but you know, it was interesting, I was sitting, coming down today from Thompson, to a Hydro employee who said, yes, you know, people talk about Limestone, and that was a billion dollars under budget, a billion dollars, Mr. Deputy Speaker, and it is producing a hundred million dollars a year in profits.

You know, we got into this debate a little bit the other day, and I will not get into the Hydro debate again, but those were two key cornerstones of the economic policies

of the New Democratic Party government in the 1980s. We are still getting the benefits from both, the Jobs Fund in terms of community facilities, and Manitoba Hydro, Limestone, we took a lot of flak in 1985-1986, but we delivered the goods. We had the best economic performance in the country as a result, and we are still benefiting. [interjection]

Well, the Deputy Premier (Mr. Downey), responsible for losing the Conawapa deal, talks about Limestone. The bottom line is, you just talk to anyone, and they were wrong in the 1980s. I remember when they were talking about buying hydro from the United States. Right now, we are selling hydro, we are making a profit. We have the benefit not only for the province in terms of the jobs that we had at that time, but the bottom line of this Minister of Finance (Mr. Stefanson) is, they are every day collecting. He is collecting money from the water rentals as a result of the Limestone development.

I will go back to square one, because I would like to see us look at the same sorts of approaches we saw at that time. I want to just mention this because, and I raised this a couple of years ago. In Minneapolis, Northern States Power had a controversy two years ago over renewing a nuclear plant. In Ontario, Ontario Hydro has many costly, potentially unsafe nuclear plants. To the degree that we can provide hydro power in a way that is environmentally safe, I think we should be looking at providing that need.

Mr. Deputy Speaker, I do not know why we were not down in Minneapolis talking to people there. The bottom line is, we have the resources, we had the government with the Ontario deal that the NDP negotiated which was scrapped by the Conservatives because they preferred to scrap it rather than negotiate a five-year extension, but, you know, I really believe that we should be looking at that aggressively in this province.

I do not disagree with everything the government has been doing on the economic front. There are some programs, some initiatives that I certainly agree with, and I have stated that publicly. I have stated that publicly, and I will do that again. Where credit is due, I will give it.

I will give you an example of a program that I think is probably a very useful program in some areas of the

province but not in my own area, the Grow Bond program. It works in many rural communities in southern Manitoba. I do not believe it works in northern Manitoba, and I know that is something the minister is aware of. So I do not believe, in economic policy, of a blanket criticism, I suppose in the same sense that the Conservatives in the 1980s voted for the Jobs Fund but then criticized it politically and then supported individual projects.

I am not going to do that, Mr. Deputy Speaker, and our party is not going to do that. There are some programs that the government is looking at now in terms of regional development corporations. I think those are excellent programs. I do not think they go far enough, but, you know, the problem with what the government is doing, I believe, is that it has a smorgasbord of programs. I do not believe it has the consistent thrust of economic policy and development that we saw in the 1980s as a result of such initiatives as the Jobs Fund.

The Jobs Fund is really a collection of a series of initiatives, but it was based on a simple premise, and that is that we could improve our economic situation in the province by developing needed community resources, by providing job training, experience on the job, not with—and I will not use the Deputy Premier's (Mr. Downey) words extensively, but what he says about real jobs—believe you me, any job is a real job, and I even mentioned before that I do not criticize the minimum wage jobs that are taking place.

We have a McDonald's in Thompson now, and there are minimum wage jobs at that facility. Those jobs, I believe, are part of the economy. They are not the only jobs in the economy, and even then there are many people who cannot even find those types of jobs. We need to recognize, in particular, the vulnerability of young people.

So I want to apologize for taking up the time of the House in one sense, but I appreciate the fact that—[interjection] Well, I am being encouraged to continue here, but I really feel one thing I have been fortunate in, in some of these debates, and I consider this to be the ultimate luxury in one sense, Mr. Deputy Speaker, I was here when the original Jobs Fund Act was put in place, as were some other members.

As much as now it is sort of the end of one chapter in the history book, I think that very much of the philosophy that was part of that applies today. I really believe that in the 1990s—and one of the ironies of the Conservative government is, where I do agree with them on economic policy, it is where they go against their announced political philosophy of the 1990s, the new management that the Minister of Agriculture (Mr. Enns) talked about, this sort of new-right globalization, like government should not be involved in any way, shape or form in economic activity directly. [interjection]

The member for River Heights (Mr. Radcliffe), who is sort of the unofficial Agriculture critic of the minister, or whatever, of the Conservative Party, says that governments should not compete with their own citizens.

Mr. Deputy Speaker, I have always believed in the mixed economy. I know that the Conservative Party used to believe in the mixed economy. I remember the Minister of Agriculture in this House voting for the bill that would have taken over Centra Gas to run it as a public utility, in principle. He voted against it in the final stage, but he in principle supported the ownership of a public utility.

Mr. Deputy Speaker, that debate is just as appropriate today, because I am going throughout the province about the Manitoba Telephone System, for example, and I am finding a lot of Conservatives believe in public utilities, and they want to see MTS publicly owned. [interjection] The member for River Heights (Mr. Radcliffe) talks about, I should be telling them the truth. What is interesting is the government is not telling them anything. It is not involving them. There is no debate. There is no discussion. There has been no vote. There was no vote in the election. There is no shareholders' vote today.

The bottom line is there has been a sea change in political philosophy in the Conservative Party. Under the new management that was jokingly referred to before, the current Premier (Mr. Filmon) has decided—I do not know on what basis, I am still trying to find out the real basis, but has decided and swung this entire Conservative caucus and party in a direction that is a 180-degree turn from its entire political history.

Since the beginnings of Confederation, the Conservative Party always stood for public utilities. There

are many individual Conservatives, Mr. Deputy Speaker, who stand for that. They believe in public ownership just in the same way they supported the Jobs Fund in the 1980s.

Mr. Deputy Speaker: Order, please. I am sure the honourable member is going to be coming back to Bill 62. I would ask him to be relevant. I have been listening, and MTS is not quite relevant to the Jobs Fund Repeal.

The honourable member for Thompson, to continue.

Mr. Ashton: Thank you, Mr. Deputy Speaker. My point was that in terms of the economic approach of the Conservative Party—I will perhaps just finish my comments of that particular aspect by saying, and I thought of this earlier today, that I would love to see a debate take place in terms of the Manitoba Telephone System. The problem is the government seems to be somewhat reluctant to get out and debate it, but there may be some people willing to do it.

I was trying to think of an organization that could sponsor this and would still not be seen as being biased. I thought of it today, and I would like to ask if the Conservative Party could arrange a debate. I will attend on behalf of the NDP. They can pick whomever they want from the opposite side. I would feel safe in that gathering because I know a lot of Conservatives who support keeping MTS public. That might perhaps settle it. I will challenge any person on the other side to debate the sale of MTS and the philosophy behind it, the policy approach adopted, and I will start at the Conservative Party. They can, perhaps in conjunction with the Chamber of Commerce. I will go right into that and perhaps then we can resolve it there and proceed from here.

* (1550)

You are quite right about the Jobs Fund, but it is part of the same issue because I believe that what has happened here is we have a consensus in this province in terms of economic approach. When the government does bring in programs that are not bad, there is a consensus even there that they do not want to admit. It is a small province. I think we are pretty moderate in—we may have our differences in terms of politics, but, you know, when

I have someone approach me today, a small-business person in Thompson, yes, I am concerned about MTS or whatever, it is one of those things that crosses party lines. It is one of those kinds of issues. The same thing with economic approach.

Some of the most successful communities in Manitoba—I was talking to a constituent, and I talked about Steinbach. Steinbach is one of the most successful communities in the province. You want to look at some of the economic policies practised in Steinbach. They are pretty active. Boy, are they active! They do things like they sold some land to a particular business developer. Do you know what they did? They bought his land because he was in too small a location, could not expand. He was concerned about having to move to Winnipeg.

Is it not interesting that in the community of Steinbach they are following an active economic policy? They are getting involved. My goodness, they actually made a market transaction and then another one, so they actually were involved in the marketplace. This is Steinbach which, as members opposite know, is an area that certainly politically has been Conservative for many years. You know, in my wildest dreams if we were to win the next election with a massive landslide, that would be probably the last seat we would win in the province. [interjection] Well, it was traditionally Liberal. I thank the Minister of Agriculture (Mr. Enns) for that, as well. Of course, those were the right-wing Liberals, very right wing, which were probably more right wing than the Conservatives. That was another political era.

But I am saying this because where things work in this province is often by communities, by regions actually taking an active interest in economic development and not relying strictly on the marketplace. I will give you a quick example of how easy it is nowadays in this global economy that the Premier (Mr. Filmon) seems to be worshipping at the altar of.

I talked to some people—it is to do with the telephone system, but not on the issue of MTS. I am talking about the job side of it. Right now, Bell Canada just transferred—this is a private company—operators' jobs to Arizona. Did you know that, Mr. Deputy Speaker, that a private company can very easily just have operators in Arizona sit on the end of the phone and provide the same service? You know, if you can save a fraction of a cent,

where are you going to move it if you are a private company and the bottom line is your concern?

We in Manitoba traditionally have not accepted that. This has been a province that was developed as a result of the mixed economy. We developed in 1870. If you look at the extension of the railroad, 1870s, 1880s, 1890s, who built the Hudson Bay rail line to Churchill? It was the public interest at the time after successive private governments had failed. Which was the province in North America to have the first publicly owned telephone system? Manitoba was. It was a Conservative government, but, Mr. Deputy Speaker, what I am pointing to here is the fact that throughout our history, whether it be going back to our transportation links and infrastructure, whether it be our hydro system or our phone system, and even when we had the biggest controversy in probably the last 30 years with Autopac, even the Conservative government in the fall of 1977 did not sell it off, did not sell, accepted it.

I remember the black armbands, you know; I remember following politics at the time. It was a sad day for Manitoba, according to the Conservatives at the time, but when they got in government they kept it. That is because there is a role in Manitoba, there has been since the 1870s and there is a role in the 1990s, for the mixed economy. There are some things that the private sector does best. There are some things that the public sector does best.

Mr. Deputy Speaker: Order, please. I have reviewed Bill 62, The Jobs Fund Repeal Act, and that is exactly what it is doing, it is repealing. The Jobs Fund Repeal Act has nothing to do with MTS or the other areas that the member is speaking of at this time. If he could just maybe come around and explain to me the relevancy, and he has three minutes remaining.

Mr. Ashton: I realize with some of the interruptions that you might not have heard, but I am talking about the underlying economic policies of this province and the fact that the Conservative government has changed. It has turned its back as recently as the past year or two on what it stood for for more than 125 years in this province.

I have talked to many individual people in terms of Conservatives—[interjection] The Minister of Education (Mrs. McIntosh), she can participate in this debate

afterwards. I certainly look forward to her comments. [interjection] Well, I am speaking in this Chamber on an important public issue. We have had maybe three speakers on this. This is not exactly a filibuster. I realize the Minister of Education's attention span may be fairly short and anything more than a five-minute speech may seem like a filibuster to her but, you know, in opposition sometimes the one option one has is to speak out in this Chamber.

I, by the way, would encourage the members on the government side to speak out, as well. We would like to see more of the debate that took place at the time in the 1980s when this was passed, by the way, because in those days there were some very good debates and government members did speak and, in fact, I did speak on many occasions as a government member. You are allowed to speak. I think your constituents would like you to speak, and I look forward, I will be finished my comments in a few minutes; if the Deputy Premier wishes to speak, we certainly welcome that.

But the bottom line is, I ask this question, Mr. Deputy Speaker, rhetorically through you to the Conservative Party, and that is, do we really want to engage upon a course over the next number of years which, funnily enough, even in the United States, this sort of Newt Gingrich, New Right approach is being rejected? But in New Zealand we read all these testaments to New Zealand. Has anybody looked at the New Zealand election results, what has happened in that country? Great Britain under their experiment with the right, I mean, people are leaving the Conservative Party in droves.

Has it not occurred to anyone that the kind of active, political approaches that were rejected by the apostles of the New Right that result in such things as the repeal of the Jobs Fund, which is very much part of it, have they not reflected upon the fact that in country after country and in jurisdiction after jurisdiction people are now turning back to a more balanced approach?

Mr. Deputy Speaker, I believe there is a role for the public sector in the 1990s. I believe that in their heart of hearts many Conservatives even believe that, and that is why I feel it really unfortunate that we are now seeing the repeal of The Jobs Fund Act, which the Conservatives

voted for in the 1980s and still reflects, I believe, the views of many Manitobans. Thank you, Mr. Deputy Speaker.

Hon. James Downey (Minister of Industry, Trade and Tourism): Mr. Deputy Speaker, I do not want to prolong or provoke further debate, but I do think it is important to put some things on the record for those members who may not be familiar with a little bit of the history of the Jobs Fund and some of the comments made by some other speakers and, as well, for the member for Thompson (Mr. Ashton) who is so concerned about the Manitoba Telephone System bill. If he looks on his Order Paper, I believe he will find that Bill 67 will be dealing with that, and he will have ample time to debate, as all members will have ample time to debate, where they should be debated in this Chamber.

As well, Mr. Deputy Speaker, it is a long-standing tradition in the Manitoba Legislature that there will be open public hearings dealing with legislation, when people will be able to come forward and make their case on Bill 67, so the point the member keeps talking about, not having a chance to debate it, not having public input, well, he is wrong on the first count; he is able to debate it in this Chamber. The public is prepared and can come forward to public hearings in the legislative process. So he is wrong on both counts, as he is wrong most times that he speaks.

I think it is important to note on the repeal of the Jobs Fund, and we as a government believe—and I have heard again the member for Lakeside (Mr. Enns) comment about times when the Legislature should sit to repeal certain legislation that has been put on the books—that this is an opportunity to repeal an act that is no longer of any use.

As well, I think it is important to point out that, for the members interested in this kind of debate, they should look at what the former leader of the MGEU or the member who now represents Concordia, Leader of the official opposition (Mr. Doer), what he had to say about the Jobs Fund and what it would do. Well, he referred to it as hiring a bunch of apple polishers for the New Democratic Party of that day when Mr. Howard Pawley was in. Those were Mr. Gary Doer's words about the Jobs Fund.

* (1600)

Hon. Harry Enns (Minister of Agriculture): In fairness, the apples were polished.

Mr. Downey: That is right; that is true. In fairness, as my colleague from Lakeside indicated, the apples were polished. I am wondering how their caucus meetings go when they bring the Jobs Fund up and how they are going to stand up on it, and if the Leader of the New Democratic Party actually speaks to his caucus about what he thought about it. Again, there is a contradiction, a serious contradiction, within the NDP party as to what the Leader would say about the Jobs Fund and then the member for Thompson (Mr. Ashton).

Well, a couple of other points that should be made, and I think it is always dangerous to take a particular snapshot in time, but I think I will do that just to point out again some of the things that are happening in Manitoba. If one were to look at the most recent reports from the labour force report for September of this year, we have actually seen an increase of some 5,000 jobs in September over August, with the second lowest unemployment rate in all of Canada at 6.9 percent. As for our youth—and this is extremely important, ladies and gentlemen, because again the member talks about the first-entry jobs or youth unemployment or employment—today we are reporting September over August a youth unemployment of 10.5 percent, the second lowest in the country. So, again, Mr. Deputy Speaker, it really questions the need to continue with the Jobs Fund Program on the books of the Province of Manitoba.

It is not that we do not have a lot of things happening. We do, but there is one basic difference, and that is that today the private sector is generating and creating the jobs that are generating wealth for this economy. During the NDP years, it took a tremendous amount of government expenditure to try to accomplish what that government of the day tried to accomplish, and it cost us. We are still paying the bills on what the New Democrats tried to do with our economy. Payroll taxes were implemented, increase in sales tax; all the major taxes went up during the New Democratic years.

Yes, they were trying to make the people believe that there were jobs coming out of it. I have to say that the majority of the jobs were the short-term jobs that did not last and did not add a lot to our economy.

Just let me give you a few examples of what is taking place out there, because I think it is important for the members to know it. We are not just saying we are getting rid of this bill for the sake of getting rid of it. A lot of things are happening in our economy.

Let us start in the northwest corner. Let us start in the community of Flin Flon, for example, where HBM&S, of course, is doing a tremendous job with the smelter and the work that is done up there and the mining that is taking place; again, Mr. Deputy Speaker, major employment opportunities. I believe it points out in the job stats that we have got 2,000 more people working in the mining industry in Manitoba right now, an increase of some 2,000 people working in the mining sector. As well, we have three new gold mines operating in the province, or will be operating when Bissett gets going. None of them were operating in 1988 when the NDP left office.

As well, we look at Repap, and we know that there have been some major expansions at Repap, a \$250-million expansion, making sure the jobs are there. Louisiana-Pacific in Swan River, again with hundreds of jobs, a \$100-million investment taking place.

We drop down to the Brandon area, where we have seen Simplot and we have seen the development of Simplot with \$230-some million in investment. The construction industry is booming in the Brandon area. We have seen Ayerst with their expansion in the PMU business. Those are all long-term, permanent jobs that will be adding to the economy of the province of Manitoba.

We go to Carberry where we see Midwest Foods with their expansion of some \$20-million plus, needing several thousands of acres of potatoes to supply the demand there, again hundreds of people employed for the long term, not government jobs, but private sector jobs.

The same example, Mr. Deputy Speaker, could be applied to Portage la Prairie, where we are seeing major construction employment and long-term employment opportunities through the McCain Foods that are developing their expansion, again causing the need for several thousands of acres of potatoes to be produced, again creating the need for hundreds of jobs.

We could talk about Can Agra at Ste. Agathe that are developing the new processing for oilseeds.

We could talk about the Schneider plant and the expansion of the hog industry. You know, the hog industry in itself, it is projected, the doubling of our hog industry in the province of Manitoba will create some 9,000 jobs throughout rural Manitoba directly—

An Honourable Member: How many?

Mr. Downey: Nine thousand jobs, directly in the production, the feed processing and the processing, whether it be Schneider or whether it be Burns or whether it be any of the packing and processing plants—9,000 long-term, permanent jobs to the province of Manitoba. So it is important to point these things out.

We have the old Abitibi pulp mill that has been sold to the community. We put in place a \$30-million loan guarantee, of which a small percentage was used, again, assuring those jobs for the community of Pine Falls and our aboriginal communities in the Berens River community to supply them with wood, again assurance of jobs that they have and an opportunity to grow with those jobs.

Mr. Deputy Speaker, I could go on and on about the manufacturing sector, which we are seeing export product come from. Our exports—and again the New Democrat Party across the way opposed NAFTA, they opposed free trade. Our trade with the United States has gone up by 125 percent since 1990.

Mr. Deputy Speaker: Order, please. I am enjoying the debate that is going on, but, again, I have to rise as I did for the member for Thompson (Mr. Ashton). The bill before the House is Bill 62. It is The Jobs Fund Repeal Act. If the honourable members could be relevant to that at this time, I would appreciate it.

The honourable minister, to continue, and if he was being relevant, maybe he could explain it to me.

Mr. Downey: Mr. Deputy Speaker, the relevance is, if you are wanting me to explain it to you, today the private sector and the economic climate that has been developed in this province by this Progressive Conservative government is generating the investment climate which

creates the jobs, which creates the wealth for export of product, which generates the income for this province, so that we can have the health care system, so we can have the social services system, so we can have the education system. That is the relevance, and I thank you very much for bringing that to my attention, so it is relevant.

I could talk about the furniture industry. I could talk to you, Sir, about new developments that are taking place in the grain industry that will be supportive of the grain industry in this province, which I know you have been instrumental in working on, that will generate jobs, that will take away the need for a Jobs Fund Act. Those are the kinds of things that are developing in our province.

I could talk about the farm machinery industry. I could talk about the bus building industry. I could talk about a lot of things, Mr. Deputy Speaker, and I just wanted the record to show that we, the Province of Manitoba, no longer see the need for the legislative package that we are repealing, because we believe very strongly that the jobs are being generated. The statistics are supportive of those actions that we are taking, and I just want to say it has been my pleasure to have participated in some small way in putting these comments on the record. Thank you.

Mr. Deputy Speaker: Is the House ready for the question?

Hon. Vic Toews (Minister of Labour): I am wondering, Mr. Deputy Speaker, if I could add a few comments on this bill to repeal the Jobs Fund. I do have some experience with that because I, in fact, acted for the Department of Labour while this legislation was enacted, and I was asked to assist in attempting to create jobs through this legislative format.

What became very, very clear is that, in fact, no jobs were being created. It was, in fact, one of the biggest boondoggles that the province of Manitoba has ever seen. In fact, my instructions at the time were to create contracts that looked like contracts but were not really contracts. When I was asked to set up a contract, I believe that it should be an enforceable contract. The contract, in fact, was certain repercussions that would occur if the businesses did not fulfill their obligations. When I fulfilled a contract, or drafted the form of contract, they indicated to me that, well, it looked too legalistic, and we do not want that kind of contract. So

what, in fact, happened was that a huge amount of money was simply given to businesses in order to make the appearance that there, in fact, was job creation going on.

Mr. Deputy Speaker, it is no secret. It is no secret that what one company would do with another related company would simply be collapse the one job in the one company and then create the new job in the other company, getting a government subsidy in that respect. Simply, that was the way these jobs were created.

I remember one day I was sitting in my office, I received a phone call. There was a panic in the person's voice, and they said to me, in respect of a particular job creation project, that a company had not fulfilled its responsibilities in respect of half a million dollars. I said, have you given this company, have you advanced this company the money? They said, oh, no, no, we have not done that because they have not met their so-called obligations. I said, well, what is the problem then? You still have the half a million dollars, and the taxpayer is protected in that respect. The response to me was, you do not understand; if that money is not spent, it will be lost. I said, well, how will this money be lost? He said, well, at the end of the fiscal year, it would lapse, and the half a million dollars would be lost. I said, do not consider it lost; consider it half a million dollars saved for the Treasury, given the kinds of jobs that were being created under this Jobs Fund.

* (1610)

I can only say, from very personal experience, this was the largest fraud on the Manitoba taxpayer, by and large, that has ever existed. If that is the kind of job creation that the NDP is interested in creating, that is why they are sitting on the other side and we are sitting here. I can only echo the comments of the Deputy Premier (Mr. Downey) in respect of what creates real wealth in this province and what creates artificial wealth, and the kind of job creation that was created by the NDP under that Jobs Fund was no job creation at all. It was a burden on the taxpayer. It was a burden on our economy, and, for the shame of it, it is a burden on our children to this very day. Thank you.

Mr. Deputy Speaker: Is the House ready for the question? The question before the House is second reading, Bill 62. Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Mr. Deputy Speaker: Agreed? Agreed and so ordered.

Bill 58—The Parental Responsibility Act

Mr. Deputy Speaker: On the proposed motion of the honourable Minister of Justice (Mrs. Vodrey), Bill 58, The Parental Responsibility Act (Loi sur la responsabilité parentale), standing in the name of the honourable member for Elmwood (Mr. Maloway). Stand? [agreed]

Mr. Conrad Santos (Broadway): Mr. Deputy Speaker, I would like to begin my participation in this debate about Bill 58 by citing an observation which could have been true today. The children now love luxury. They have bad manners, contempt for authority. They show disrespect for elders. and they love chatters in place of exercise. Children are now tyrants; they are not servants of their household. They no longer rise when elders enter the room. They contradict their parents, chatter before company, they gobble up dainties at the table, they cross their legs and tyrannize their elders. This quotation was spoken and observed more than 2,000 years ago, and it was attributed by the philosopher Plato to his teacher Socrates. It could have been true today, this description of the youth of today. That placed the setting why there is a need for this particular piece of legislative proposal.

It also reminded me of a conversation between a mother and a young child. What are you reading, Alfred, the mother inquired. It is a book entitled Child Training I borrowed from your friend Mrs. Jones. Do you find it amusing, asked the mother. No, I am not reading it for amusement; I merely wanted to see whether or not you had brought me up properly.

So there is a duty among parents to bring up their children properly that they may be able to conduct themselves in a manner acceptable to society and to other people.

In this debate about The Parental Responsibility Act, Bill 58, I shall try to ascertain what this piece of legislation is seeking to do by looking at some of the substantive provisions. I shall review some of the case law under the common law about parental liability on account of the behaviour of the children and then finally focus on some common sense understanding of the proper

relationship between parents and children and the duties arising out of such parent-children relationships in the context of the family as a basic unit in our society.

What does the parental responsibility of Bill 58 seek to do? By Section 3 of the act, the proposed legislation, the parent of a child who deliberately takes, damages or destroys the property of another person is held liable for the loss suffered by the owner of the property as a result of the activity of the child. The term "owner" has been defined by the legislation to include any person who has the legal right of possession of property, so if we take the definition, even a lessee who has a right to possession will be comprehended in the concept of being an owner, even if you are actually only leasing the property, because you have possession, the legal right of possession, over the property that is damaged by the child.

The parent may either be the person who is the biological parent or someone who is responsible for the care and control of the child. He may not be the biological parent. He might be an adoptive parent, so long as he is responsible for the care and control of the child or, alternatively, such a person could be the court-appointed guardian of the person of the child.

The parental liability for the damages should not exceed \$5,000 in respect to the property owners' loss which could be enforced by the person who is suffering the damage by means of a civil action brought before the small claims court. Parental liability attaches only when the act of the child in taking, damaging or destroying the property of another is done deliberately by the child. Deliberately implies a willfulness and intent to do damage. It implies it is knowingly done with a malicious intent to damage, or if it is a taking, there is an intent to benefit by taking the property or things. That is to say, there is what they call *animo lucrandi*, the intent to gain, intent to benefit. The parent is also not making any reasonable effort in good faith to prevent or to discourage the child from doing the behaviour, consisting of the taking, damaging or destroying of the property which belongs to another.

(Madam Speaker in the Chair)

In general, the purpose of The Parental Responsibility Act is to ensure that parents are held reasonably accountable for the behaviour of their children in relation

to the property of other people. What are some of the old rules in common law relating to this duty of parents to control the behaviour of their child? How does the common law respond to the more basic moral question, am I my brother's keeper? Am I responsible for my neighbour's welfare, which is adversely affected by the behaviour of my children? Am I in some position, of a position of influence, to alter or to change their behaviour? The general rule under the common law is that no person is under any duty to control the behaviour of another person in order to prevent such other person from harming a third person. So, in general, we are not accountable for the behaviour of another. That is the general rule.

* (1620)

The exception to the rule is this particular relationship of parent and child. So that rule, therefore, that no one is responsible or accountable for the actual behaviour of another, there is an exceptional condition, an exceptional circumstance, by which there is a duty, and the duty arises because of this special relationship that emerges from the parent and child relationship. It is that special relationship that creates the duty on the part of the parent to be on guard and to monitor and control the behaviour of his or her child, because any third person is entitled to rely upon the parent for the protection of their own person or their own property of another as is stated in the old case of *Beckerson versus Dougherty*, 1953.

Thus, under this unique and special relationship of parent and child, there is a duty on the part of parents to control the behaviour or to monitor the behaviour of their minor children. It is incumbent upon such parents to maintain such control over their children and take reasonable care so as to exercise such control in order to avoid conduct on the part of the children exposing the personal property of another to unreasonable risk or danger. Failing to control the minor child, such a parent could be charged with negligence in connivance with the child's possession of any instrument, the use of which the children, lacking discretion, may bring about potential hazards to other people—*Smith versus Leurs*, 1945.

The minor child, therefore, is generally not considered as an independent personality because the child is bound to obey the directions of the parent, the person in whose charge such child is placed—*Russel versus Jorgenson*.

Now the question is, if such a minor child is really immature or for some other reason does not understand the meaning of his behaviour, could any negligence be imputed to such a child? The jurisprudence on this aspect of the issue states that if the child lacks capacity to understand and could not appreciate the nature of his actions, negligence could not be attributed to the child at all; however, given the perception of the risk, such a child must exercise the judgment of the standard child of his own age. In other words, even if the child is immature or lacks the necessary understanding, there is still a certain measure of care expected of the child of the same age and under the same circumstances.

What happens if the child engages in some kind of adult behaviour? In other words, the activity undertaken by the child is not really a childish act but an act of a normal adult in our community. What happens then? If the minor engages in some adult activity which initially we do not expect him to do, such as, for example, driving a car, a child, though minor, must conform to the standard of care expected of a reasonable adult person driving a car. Whoever is doing the behaviour is held to a degree or a standard applicable to that situation in accordance with the kind of activity and behaviour that the child is doing. If the child is doing an adult behaviour, he will be held accountable to a higher level of care as if he were an adult, such as when a child drives a car and that results in some accident or some damage to property. This is in the case of *Tucker versus Tucker* which involved a 16-year-old child who was driving a car which resulted in some damage.

Therefore, some safeguard to the public is afforded by the obligation of parents to observe reasonable care in the supervision of the conduct of the children who are under their legal control—*Walmsley versus Humenick*. This is in contrast to what is obtained in continental European law, what we call the civil law countries. The common law of England, of the United Kingdom and of the Commonwealth, therefore—and this includes Canada—has resisted the idea of holding a parent vicariously responsible for the harm occasioned by the child.

Of course, unless you fall to the exception, you will not be held accountable for the behaviour of another. What are these exceptions by which a person is held liable for a behaviour other than his own behaviour? The case of a parent, of course, when the child was, in fact, the agent

of the parent and the child acted by the direction of the parent. There are some parents who are so irresponsible sometimes, and they want their child to do things that they themselves want to do which are not in accordance with the law.

If the child is acting according to the direction of the parent and doing some injurious behaviour, injurious to the personal property of another, such a person, such a parent will be held responsible. *Qui facit per alium, qui facit per se*. He who acts through another, acts himself, and therefore should be held accountable himself. Therefore, there is a failure if the parent is in connivance with the child in doing the irresponsible or destructive behaviour involving a taking or a damaging of the property of another.

Another exception where the parent is held responsible is when the parent fails in controlling the child's activity such that the activity no longer protects the personal property of another. The standard exacted by the common law is that of reasonable care and should be understood and construed according to the prevailing practices and usages prevailing in the community and the common understanding of what is reasonable and what is practicable. Such a standard of care requires the weighing of the risk of others against the difficulty of a parent in attempting to eliminate the foreseeable risks that could reasonably follow from a lack of care on the part of the child's activity.

So that is the background in the common law system about the liability of a child. In general, there is no liability of a person being responsible for the behaviour of another. To that general rule there is an exception in the case of parents in relation to their minor children because of the special relationship of parent and child. The special relationship gives the duty and an obligation on the part of the parent to be accountable and responsible with corresponding liability for the behaviour of their children that results in the destruction of personal property of another.

Now, let me go to the next topic that I would like to discuss, namely the relationship between parents and child. What kind of relationship is that? What kind of duty arises because of such a special and unique relationship between parents and child? How should parents try to control the behaviour of a child?

There are many styles by which parents try to influence the behaviour of their children. Some parents result in very strict disciplinarian ways of trying to control the behaviour of their children. There are some theories now about modern psychology, how we should try to control the behaviour of our own children.

An Honourable Member: That is the problem.

* (1630)

Mr. Santos: That is the problem. Modern theories, according to the honourable Minister of Urban Affairs (Mr. Reimer), of child psychology will discourage people from using physical disciplinary measures on the part of the child.

Let us inquire into that. Why? Why do they object where, for example, the child is spanked. The parent, should he spank their own child when they committed something wrong? Is there anything wrong with that? Modern psychology says, if you use physical punishment to control the behaviour of our child and to punish him when he does something wrong and if you do this very frequently or in a manner which is predictable as a matter of routine, then the child would soon learn to stay away from you, because it is very predictable. It is a routine kind of behaviour. The child will avoid you. That is one reason why you should not use physical punishment, they said, or use it in a manner which is routine and predictable. If your father, your dad hits you all the time, what do you do? You stay away from him. Any time you see your dad coming home, you stay out of the house.

So the second reason, why is it wrong to use physical punishment, according to these people, these child psychologists? They say the use of physical punishment by a parent with a child inculcates in the mind of the child a model which is not too good. What model? In resolving conflict, if you are the more powerful one, it is all right to hit the weak. That is according to the child psychologists. You are the more powerful parent. There is a weak little child. You hit him, it inculcates in his mind a model that it is okay, it is all right if you are strong to hit the weak. That is according to the child psychologists.

What happens when your child has now gotten stronger and bigger than you? What happens then? If they grow

up and they become stronger, and if they become stronger than you as a father, what do you do? Ah, the model has to be consistent. He probably will hit you.

An Honourable Member: No, my kid would not do that.

Mr. Santos: They are not supposed to do that. In terms of our attitude, this is inbred in our upbringing as individuals and as members of society. If we become government and we hit the weak and the helpless, then we are confirming the fury. When this government is now hitting the weak and helpless and the vulnerable in our society, that means they were not properly trained when they were young. They are applying the model that the strong has a right to hit the weak.

You know what happens when your elder children are subjected to this strict physical punishment. When they grow up a little bit bigger, what will be their attitude to their younger brothers and sisters, to the young siblings? Ah, they apply the model again, consistently. They hit their younger brother. That is why some families are reputed to have been doing a violent kind of atmosphere in the home because this is perpetrated.

Those are the reasons why child psychologists said it is wrong to use unreasonable physical punishment. However, if you are just using a ruler, and you ask your little child to put his hand up and hit with the ruler with the understanding and explanation of what he has done and why this is being done to him, I do not think that is a strong physical punishment, no. How many of you remember your dad hitting you somewhere? I remember I was hit, but then I remember I was doing wrong, yes.

You should use the rule of moderation. You have to have an appropriate explanation to the child why this is happening. Unless explained, the child says, ah, my dad just dislikes me. He just is angry. No reason at all why he should hit me. But, when you explain the framework why the punishment is being given and the reasonableness of the punishment in relation to what he had done, then the child understands and the child will remember.

An Honourable Member: How old is this child?

Mr. Santos: Well, it depends upon their age. Your explanation will be more detailed the younger the child is

so that the child will be able to appreciate and understand. The younger they are, the more explanation you need. At all events the explanation has to be given with concern for the child. Yes, with understanding.

On the basis of moral teaching, then, what are some of the parental obligations of people who become parents to their own children? There is no requirement in our society that you should have certain qualifications before you become a parent. In fact, there are some very minor children who become parents, and they are not ready for such duty and obligation.

An Honourable Member: Children having children.

Mr. Santos: Children having children, according to my colleague here.

What is the obligation of a parent in respect to the children? First, they have a duty to nourish and to provide for the material and spiritual needs of the child. Remember that, not only material, but also spiritual needs of the child. There are two kinds of food that you can give to the child, the food to sustain his physical body and the spiritual teaching that will sustain his moral character. That is the duty of every parent, the food for the physical body and the food for the mind, and the identity and the spirit of the child.

What else? To bring up the children in nurture and admonition without provoking them to anger, you should always be patient with them, you should always be generous with them, you should always try to do what is for their own welfare and concern, because a parent can teach best by his example, not by word but what he or she does in relation to the child. If your mouth has a cigarette butt and says do not smoke, what will the child get out of such an admonition? You cannot tell your child not to smoke because it will be bad for himself when you yourself are smoking. So it is not effective at all. The best teachers are those who do what they believe in relation to the people they are teaching. No one else is needed but the parents who become the best teachers of their own children.

If there is a duty from parent to child, what about the other way around? Is there a duty from child to parent? It cannot be just one way; it must be a reciprocal kind of duty. What are some of the duties? No matter how old

we are, some of us still have some parents. Do we have a duty to them? What are those duties then? What are some of the duties of children toward their parents? First, children must obey their parents, for this is right. We come to this world through the instrumentality of our parents. Without them, how else can we come to this world? No other way. It is by our parents that we are here. So we come to the world through our parents, and when we were helpless, they were all the time there helping us, changing us day and night, changing our diapers, loving us, concerned about us, and what do we pay in return? We put them in old-age homes and forget about them. This is no good. It is our duty to take care of our own parents in the best possible way that we could.

* (1640)

An Honourable Member: We should not have personal care homes.

Mr. Santos: No, I am not saying that. I am saying if you can at all attend to your parents personally in your own home, there is no impediment, that is your duty to do it. [interjection] Why should we obey our own parents? Do you know the fifth commandment? Honour thy father and thy mother so that their days may be long on this earth. There you are. It is a commandment and a promise. If you honour and obey your parents, you attend to their needs, you visit them even if they are in a separate home of their own, you attend to your duties as a child, your days shall be long on this earth.

An Honourable Member: Where do you preach on Sunday?

Mr. Santos: No, I am not preaching. I am just quoting the commandments. We also have the duty of fidelity to our parents, some kind of loyalty that we care for them, particularly in their old age when they are feeble and helpless, because that is good and acceptable in the eyes of God and men. It is one of the fondest dreams of every parent to bring the child up properly.

I would like to conclude now because I saw the Speaker making the sign that I am lacking the time. Now this is the conclusion. I like this quotation, and I would like to conclude it with the consent of the Assembly until I finish it.

Build me a son, O Lord, who will be strong enough to know when he is weak and brave enough to face himself when he is afraid, one who will be proud and unbending in honest defeat, and humble and gentle in victory.

Build me a son whose wishes will not take the place of deeds, a son who will know Thee—and that to know himself is the foundation stone of knowledge.

Lead him, I pray, not in the path of ease and comfort, but under the stress and spur of difficulties and challenge. Let him learn to stand up in the storm; let him learn compassion for those who fail.

Build me a son whose heart will be clear, whose goal will be high, a son who will master himself before he seeks to master other men, one who will reach into the future and never forget the past. Thank you.

Madam Speaker: As previously agreed, this bill will remain standing in the name of the honourable member for Elmwood (Mr. Maloway).

Bill 67—The Manitoba Telephone System Reorganization and Consequential Amendments Act

Madam Speaker: To resume second reading debate, on the proposed motion of the honourable Minister of Highways and Transportation (Mr. Findlay), Bill 67, The Manitoba Telephone System Reorganization and Consequential Amendments Act (Loi concernant la réorganisation de la Société de téléphone du Manitoba et apportant des modifications corrélatives), standing in the name of the honourable member for Elmwood (Mr. Maloway). Is there leave to permit the bill to remain standing? [agreed]

Ms. MaryAnn Mihychuk (St. James): Madam Speaker, I take this opportunity to rise and make my comments on Bill 67, The Manitoba Telephone System Reorganization and Consequential Amendments Act.

This is a bill that symbolizes the government's agenda for economic motivation, one which is shortsighted, in my opinion, wrong. It basically sells off the Manitoba Telephone System as we know it in, I believe, a rather

shallow attempt at looking at public shares. In the short term, I agree that it looks like a public sale, and I am going to argue against that as well, but, in the longer term, what inevitably will happen with the Manitoba Telephone System, which seems to be the record in many other jurisdictions and governments, is that ultimately that control cannot be held onto in the long term. There are no guarantees that Manitoba Telephone System will stay in the hands of Manitobans and that this is really a bit of fluff to appease many of the Manitobans very, very concerned about the sale of MTS.

This bill, as I said, sells MTS via share offering to the public. The legislation specifically overrides previous commitments of MTS to serve the public interest by continuing to provide affordable access to telephone services to residents of Manitoba.

Madam Speaker, that is probably one of the most significant portions of this change. We are moving from a corporation, in this case a Crown corporation, whose main *mandate* was to serve the public interest to a system whose main mandate is to produce profit. That is not necessarily, and, in fact, works against the public good and works for the good of those that hold shares in MTS, which will be very, very few Manitobans indeed. In fact, you could argue that right now every citizen of Manitoba is a shareholder of MTS and this will actually make ownership fairly elitist, and rather the working towards the public good will actually work towards a very small group of individuals who own shares in the telephone company.

The commitment of MTS to Manitobans was clear in many of the policies that it had implemented over its long tenure in Manitoba. In fact, the requirement and basic philosophy of subsidizing rural Manitobans, northern Manitobans and residential telephone rates was one that we applauded, one that Manitobans supported, and, in fact, one that we saw benefited the majority of Manitobans. We were able to do that with the wisdom and foresight of governments both Conservative, NDP and perhaps even Liberal at one time through the time Manitoba has had a history of supporting the Manitoba Telephone System for the good of all Manitobans. That is the fundamental reason why we believe at this time, even though we are under extreme pressures, with challenges that we have not faced in the past, that it takes

vision and planning and foresight by the government to uphold and maintain the strong tradition of publicly owned Crown corporations, specifically the Manitoba Telephone System.

In fact, in a more direct manner, recently we were at Swan River talking to a school division up there who would like to service the community through distance education and Manitoba Telephone System did provide them an opportunity to experiment. In fact, those kinds of opportunities, although in that case was way too short, Madam Speaker, too short and not enough commitment for that program to take off. But it is in the hands of the government. It is in our ability to provide that commitment to the people of Swan River, to the people of Flin Flon, to the people of Morris for distance education which is going to become the vital link for rural Manitobans. And is a private corporation going to think about the children in Swan River? They are going to think of the bottom line, they are going to think about the profit factor and they are going to think about what is going to be in the final analysis the profit share for those that hold the shares in the telephone company rather than the vision of saying we know that there needs to be an investment in the telephone system. We understand that we may have to incur capital costs, that we may have to incur a debt and we just did that.

* (1650)

In fact, in my little farmhouse in Poplarfield we receive service. We receive single line service. I can now phone out from my little cottage in Poplarfield and I am not sharing a party line anymore. Whose investment was that? That was an extremely expensive endeavour that the Manitoba government had the foresight to say yes. It is worth it and any rural representative knows that it took a commitment on behalf of the government to say, yes, we will go ahead and provide that service. It is an important link. It is something in the future that will pay off. We know that it is expensive, but it is a reward that all Manitobans deserve and have to have. And they did it, and I congratulate them, and it is something that is important. I can now get onto the Internet. I can use those services. It is a wonderful asset and it links Manitobans all together and that vision and foresight is because we had a strong Manitoba telephone system that was willing to take those risks, that was willing to look at the future and was willing to invest.

The concern now is that when your bottom line is profit and not people, that is going to erode what we believe is a fundamental service and one that we built for many, many years. We can look at other examples of where telephone systems have been privatized, and, unfortunately, the record seems fairly consistent and consistent in a way that unfortunately impacts on the average ratepayer. We have seen either rates rising dramatically or, if the CRTC refuses to do those very rapid changes, we will see what will inevitably be the curtailment of services to areas that they do not find profitable.

Again, the motivation, the reason for being for a private corporation is the bottom line and is profit, and so when we view distance education, when we view communication as a vital link of holding Manitobans together, this government has taken a choice. It is choosing to cut off those vital links and move towards a profit system which looks at the money and the bottom line rather than service and people as its priority, which is very, very unfortunate.

Again, I would like to emphasize that, although the government has in the short term tried to allay fears by saying that we are selling this to Manitobans, we are going to put a guarantee that it stays in Manitoba, that is not there, that guarantee is not in this bill, is not there for Manitobans for the future. What we can see is that the Manitoba Telephone System in the longer term can, in fact, become foreign owned, can be owned by—once the various shareholders sell off their shares, once the commitment to the Manitoba government has been paid off, there is no guarantee, as far as I understand, of those mandates that it remain Manitoba-owned—most Manitobans feel they already own it, thank you very much—and that it is going to remain here in Manitoba. In fact, the headquarters could eventually be in New Jersey, New York, Tokyo or somewhere else wherever the market share dictates.

Madam Speaker, this bill offers Manitobans no long-term control over the new privately owned corporation. In the short term, the government will maintain ownership of a so-called special share. Such ownership gives the government a limited veto on the privately owned company's activities. It will ensure that the company's headquarters stay in Manitoba, that Manitobans have a majority of seats on the board of

directors, that no individual may own more than 15 percent or, in particular circumstances, 25 percent of the company's shares, and that not more than 25 percent of the new company's shares be owned by nonresidents of Canada. That is for the present.

However, as soon as the new company pays off the debt owed to the province, the special share is automatically surrendered, and all the protective provisions listed above are automatically repealed. If what I understand to be, and this bill is inaccurate, I look forward to the minister providing on the record how, in fact, there is a long-term protection to Manitobans, and I urge the government to look at that protection, for in the short term we have that protection, in the long term there are no guarantees. In fact, when we look at other Crown corporations that have gone through privatization, we have seen some fairly disfavoured results and we could look—[interjection] I do not wish to stray from my agenda of my notes because I can get distracted, and from the other side, I would love to be into a debate and get some information.

Quite frankly, we have not heard the other side debate these issues seriously. In fact, much of what we understand is through our own research, and if the minister does not feel it is valuable to stand up and speak to Manitobans on this side of the House, putting it on the record as to why they choose to sell such an important Crown asset—I mean, the record shows for itself.

Madam Speaker, at this time, I would like to continue with a few more points on our opposition to the sale of the Manitoba Telephone System. In fact, Manitobans have a proud and long history of supporting MTS. We were actually—Manitoba was the first government to create a Crown corporation, the first government-owned telephone system in North America. We can be proud of that legacy. You know, what is surprising perhaps to this government, a Conservative government, is that the government of that day was also Conservative, had vision, had foresight. Was it not a risk in 1908 to create a Crown corporation? Absolutely. Did it require investment of capital? Was the government willing to take that chance, to look in the future and say here is a technology that is uncertain? Those governments who were interventionist did take the risk, did invest in the future, did take perhaps a capital debt to look at the future, and I have to say that it seems to me to ring a

different sound, the Tory government of Rodman Roblin in 1908 and the Tory government of Gary Filmon who has now decided that we can no longer support the Manitoba Telephone System.

The Manitoba Telephone System has in many ways, from those early days of trying to provide telephone services for Manitobans, continued that legacy even up to the future. As I mentioned earlier, we have a proud tradition of continuing that service. In fact, just last year many rural areas received single service, and that type of vision did continue for over 80 years, and that investment was important to rural Manitoba and is a vital link in the North. That type of investment, although it may seem expensive in the short term, in the long term provides what Manitobans want, a secure and direct link between people of Manitoba, rural and northern and urban.

Madam Speaker, have Manitobans, in fact, endorsed the sale of MTS? I would say no. Have they been given due notice of the sale of our telephone company? I say no. This is such a serious and fundamental change of government policy that if this government wanted to practise what was fair and reasonable they would put the question to the people of Manitoba. It was not that long ago, although some think that it has been long enough, that we were in a general election.

A year and a half ago, this government was before the people of Manitoba putting out a platform: Trust me, we are going to save the Jets; trust me, we are not going to sell MTS; trust us, we are going to have public discussion. What has happened, Madam Speaker? In a short year and a half, we have seen a completely different result.

There was no mention of the sale of MTS at the time of the election, Madam Speaker. In fact, the record indicates: We have no intention of selling our telephone system; we have no intentions.

* (1700)

In the House, when our critic asked the other side, were there intentions to sell MTS, the answer was no from the Premier (Mr. Filmon). Do you have plans to sell MTS? The answer is no. We keep on asking the government, asking the government, when in reality—I mean, were

there intentions to sell MTS? I mean, if not, did they decide overnight, in a month or two, to suddenly decide they are going to sell MTS?

Surely, something so critical to Manitoba's future had to take some long-term planning. So one or the other is not perfectly clear to Manitobans, and if they want the mandate to sell our telephone company, they should have the ability, have the guts, to go out to the people of Manitoba and ask them to endorse the sale of the Manitoba Telephone System.

Will the people in Vita support the sale of the Manitoba Telephone System? I think not. Will the people in Brandon support the sale of the MTS? I do not think so. In fact, we have had over 15 municipalities writing to object to the sale of the MTS. Not only that, Madam Speaker, thousands, thousands of Manitobans have objected to the sale of the telephone company. Our critic has provided an opportunity for a ballot on the sale of MTS, and we have received over 15,000 responses, with 97.5 percent of those who responded strongly opposed to the sale of the telephone system.

All we are saying is, give it due process. Allow Manitobans the ability to think, to plan for the future. Is it proper to sell what is a cornerstone of our Crown corporations, the Manitoba Telephone System? Provide them the opportunity to vote. Provide them the opportunity to discuss this in a fair and reasonable manner instead of bringing it in through legislation, through short-term—what the minister claims was a sudden decision to sell MTS, based on, we are not quite sure—but within a couple of months, they have decided to sell off our telephone system, when during the election there were promises that there was no such consideration being given.

What we are talking about, too, is trust. Manitobans need to trust the government in power, and that is a goal, I would think, that a government would want. Unfortunately the record by this government has been very shaky and Manitobans do not trust this government in terms of the sale of MTS, and why? What was the government's record on the Jets deal? Vote for Filmon to save the Jets, it is the only way. We will only invest \$10 million. What other promises were out there in the public? I mean, those things did not withhold the test of time.

What about education? Trust us on education—not, Madam Speaker. We now see such dissension in the world of education, teachers pitted against a government which is supposed to be the voice of education, which is supposed to be standing up for public schools. We do not hear that. What we hear is rhetoric that teachers are overpaid, underworked, our children are not receiving an education. Those types of things erode and, in fact, pit educators who are there in the classroom every day, dealing with the children in a more difficult situation because of the lack of resources by this government and having to face such rhetoric from the Minister of Education (Mrs. McIntosh), that we have never seen such dissension amongst teachers and the Department of Education and the minister and this government.

What about health? Trust us on health. Well, the voters of Manitoba never did trust this government on health, and we can see why. We can see this government now construing a plan that will create so-called regional boards that have no effective power and are going to be, in fact, implementing the government's plan and agenda of health care cuts. They are not be trusted on MTS, the Jets, education, health, justice.

Justice, Madam Speaker, let us talk about justice. Let us talk about tough on crime and then have—

Madam Speaker: Order, please. I would like to remind the honourable member that debate at second reading stage should be relevant to the principles of the bill, and I believe the bill the honourable member is debating is Bill 67, The Manitoba Telephone System Reorganization and Consequential Amendments Act.

Ms. Mihychuk: Madam Speaker, what I was talking about is Manitobans trust for the government, and we have had a series of issues that have eroded Manitobans' trust in this government, in the Filmon government. One of the examples is when they lead with the campaign of being tough on crime and the next thing you know you have got 60 criminals who have been sentenced to jail time not doing one hour. Is that fair? Does that create a sense of trust? No.

In terms of the Manitoba Telephone System, I would say that there is that lack of trust, and, in fact, to re-establish their credibility in terms of this issue, the least that they should do is put the question to the people of

Manitoba. Call a vote. Let us just have a general election and see how Manitobans will vote in terms of the sale of Crown corporations for the short-term economic gain of the balanced budget, fiscal stabilization, creating a pot, of short-term financial gain for the long-term pain of Manitobans by losing something that was particularly valued to Manitobans.

Madam Speaker, not only is this government—
[interjection]

Madam Speaker: Order, please. I am experiencing difficulty hearing the honourable member for St. James.

Ms. Mihychuk: Madam Speaker, I thank you for your intervention. The members on the other side appear to have a lot of comments, and I would ask them to be brave, stand up and put it on the record.

Madam Speaker, not only has this government lost trust, but to regain that trust, instead of going to the people of Manitoba to say yes or no on the MTS deal, they have decided to invest almost half a million dollars in a campaign of propaganda, half a million dollars of our tax money. You did not ask me if you could spend my tax money on that kind of propaganda. My answer would be no, absolutely not. I mean, the facts are not on the table. The government is not willing to talk about this seriously, and we have contracted some fancy, glitzy advertising campaign to perhaps Barb Biggar, who is going to what? Convince us that selling the telephone company is a good idea? I think not. Manitobans have much more wisdom than that.

Madam Speaker, I want to just conclude by saying there are a top 10 reasons to save the Manitoba Telephone company.

Number one is low rates, and we can all appreciate that we have experienced some of the lowest rates in North America, and we appreciate that. That is because we had a vision. We had a vision and we had a visionary government than ensured that we did, in fact, benefit from owning a telephone company. When the government privatized the telephone company in Alberta, the company sought a \$13 a month increase. How long will it take before this private company goes to the CRTC for a substantial rate increase? As fast as possible, we know

the answer to that. Not only that. I mean, the mandate is profit; the mandate is not to serve the public.

Number two, province-wide service. Manitobans throughout the province are receiving telephone services. Madam Speaker, when I was on Tadoule Lake, when I was on the Nejanilini, when we were in very remote locations in the North, I was able to access the south and able to access centres of service through the Manitoba Telephone company. Those types of services were a vital link. If you are in a remote community it is absolutely essential, for many reasons, to be able to communicate with sources of delivery.

For example, we were able to contact Churchill regularly and could do that through the Manitoba Telephone System. If we had a case of a health emergency, if we needed further food supplies or if any other emergency measure, that was provided, and I am sure that it did not come cheap. It was an investment. We were out there, in my case we were looking for the mineral resources of Manitoba, we were exploring the surficial geology, and in the long term that too is expensive.

* (1710)

I mean, it costs an investment to send people out, and in the short term you could question whether it is a wise investment. In the long term, as the Minister of Mines (Mr. Praznik) should know, it takes many, many years to find an economic deposit and in some cases you do not, but what you do get is a data base and a survey that can provide you with the leadership and the information for future groundwork, just as the Manitoba Telephone System provides us with the ability to link to the future, and that is why we are opposed to the sale of the Manitoba Telephone System. We are turning over what has historically been a very great benefit to the people of Manitoba, to the private sector, to a mandate of profit only. Madam Speaker, it is a shame.

Let us look at what the North provides to the south. Having had some experience in the North and working in an industry that has, in fact, provided southern Manitobans with gifts that we really did not have to do much for, we sit back, we enjoy the mining profits and now that commodity prices are up we are seeing mining taxes; we all enjoy that. The revenue, the Treasury is

healthier for it. Forestry is another commodity that is coming from the North and benefiting southerners. Hydro that we invest in is benefiting the south. What do we invest in the North? One of the few things we did invest in the North was a comprehensive, reliable telephone system, one that we have provided, felt that it should be affordable to the people of the North. Is a private company going to think that it is important to provide to Tadoule Lake with reasonable service? I do not think so. They are going to ensure that the bottom line is profit, profit, profit, not service for the people of the North.

We would also like to continue by looking at all of the other benefits that MTS has provided for Manitoba. Over 4,000 jobs in Manitoba, with the head office guaranteed here, business, spin-off business, all of the profits, all of the equity is actually in the hands of Manitobans, and how do we see it? By having low telephone rates. We all enjoy and have all benefited from the Manitoba Telephone System being in public hands, and we urge the government to listen to the people of Manitoba and retract this bill.

Mr. Gerard Jennissen (Flin Flon): Thank you, Madam Speaker, for allowing me to put some words on the record on Bill 67, The Manitoba Telephone System Reorganization and Consequential Amendments Act. It says much about the ideological bent of this government that they see the need to privatize MTS, an important public asset. In fact, the sale of MTS is taking place without public consultation, nor was the sale of MTS on the agenda during the last provincial election. Our critic for MTS, my honourable colleague for Thompson (Mr. Ashton), has asked the Premier (Mr. Filmon) and the minister responsible for MTS (Mr. Findlay) whether or not the government had any plans to privatize MTS, and the answer was always no.

No, the government had no plans to privatize MTS. When the City Council of Flin Flon was concerned about the possible sale of MTS, they wrote a letter to the minister responsible asking for broad, public consultation before a sale would even be considered. The minister wrote back that MTS would not be sold without broad, public consultation. We have a letter to that effect, and yet two weeks later MTS was for sale, so there is obviously an issue of credibility here or, perhaps better put, lack of credibility.

Even if this government rides roughshod over the wishes of the people regarding MTS, we on this side of the house have gone out of our way to consult the people in Manitoba about the future of their telephone company, a company incidentally that they have owned for almost 90 years, a company that has given them good service over the years, a publicly owned Crown company, Crown corporation, and that Manitobans have no wish to sell. Manitobans have sent us, this side of the House, thousands and thousands of ballots on which they indicated that well over 90 percent of Manitobans wished to keep MTS as a Crown corporation. They want it under public control. That is their wish.

That is a fact, Madam Speaker. If you ask any large group of Manitobans to choose whether they want to keep MTS publicly or sell it, well over 90 percent will choose and, in fact, many have chosen to keep it publicly owned. The people of Manitoba know, and certainly rural and northern Manitobans know that MTS has the second lowest residential telephone rates in North America after SaskTel, the other publicly owned telephone system on this continent, and it is no accident that both publicly owned systems, MTS and SaskTel, have the lowest rates in North America. People in Saskatchewan and Manitoba would like to keep it that way.

Now, I know that the Minister responsible for MTS (Mr. Findlay) talks about explosion of technology and that 70 percent of the MTS revenue base is under competition, and that is true, and that CRTC is continuing to open up the marketplace to a further, future and cutthroat competition, but that argument cuts little ice with many Manitobans, especially those in northern and rural Manitoba.

These Manitobans see telephone service as an essential service and are not about to see their service priced out of the market merely to humour an illogical whim of the Tory government faithfully following the Alberta model. We know that when AGT was privatized, telephone rates skyrocketed, the same thing we can expect to happen here when MTS is sold. Telephone service is vital to almost all Manitobans but especially northern Manitobans who already live in an area sparsely populated, and as my honourable colleague for St. James pointed out earlier, if anybody needs a telephone system desperately, it is northerners. It is their lifeline to the south very often.

Now, if you live in Tadoule Lake, which I believe has the distinction of being Manitoba's most northerly community, you would currently pay \$9.75 for a basic monthly telephone service. The actual cost is \$53.95. Very, very few people in Tadoule Lake could afford a telephone if they were asked to pay \$53.95 per month. It is a poor community. Unemployment is rampant. I would not hesitate to guess that it is probably over 90 percent. Once MTS is privatized, it is only a matter of time before telephone users in northern Manitoba, not just in Tadoule Lake but Brochet, Lac Brochet and Pukatawagan, will be paying the full cost of service, a service they will then not be able to afford. Once again, this government will ensure that those who have the least will be penalized first.

In some of those remote communities I have just mentioned, the telephone can be the life link to medical services. To deprive people of this link will lead to unnecessary suffering. Senior citizens, people on social assistance, may not be able to afford basic telephone service if those rates are going to skyrocket. Many people in Leaf Rapids and Lynn Lake and Snow Lake cannot afford or can ill afford the additional \$31.38 it would cost to cover the real monthly service costs, and for people in Cranberry Portage, the additional costs would be \$35.80. For Flin Flon, the additional monthly cost would be \$31.57.

The real cost for basic telephone service, if totally passed on to telephone users in rural and northern Manitoba, will place this service beyond the reach of many Manitobans. Surely, when MTS was formed in 1908, one of the aims must have been to make the telephone accessible to as many people as possible in rural and northern Manitoba. Is it not ironic that almost 90 years later, under another Tory government, telephone service will inevitably be reduced for Manitobans. On the one hand, this government talks about the information highway and high tech, and yet through Bill 69 we could well end up placing Mr. Alexander Bell's little gadget, his invention, well beyond the reach of many Manitobans who now enjoy telephone service.

Bottom line and marketplace realities do exist, Madam Speaker. They do exist, but the need to give basic telephone service to as many Manitobans as possible is also a reality, and the irony may well be that those who need the telephone the most may be the ones least able to

afford it. That is also a reality in northern Manitoba and elsewhere, I am sure. Manitobans are making it quite clear that they wish MTS to remain publicly owned. The government has no mandate to sell this public asset. This government has not consulted the public.

* (1720)

There are already grave concerns that MTS has lost too many jobs. There were 4,805 employees working for MTS as of December 31, 1990. Five years later, as of December 31, 1995, there were only 3,956 employees working for MTS. That is a drop of 849 employees. That massive downsizing can only continue to grow under privatization. I can only imagine what it does to the moral of workers.

Now, despite the government's claim that the proposed sale of MTS will put Manitobans first, we on this side of the House are not convinced. Supposedly the MTS head office will stay in Manitoba, supposedly Manitobans will have a majority of seats on the appointed board of directors. Those intentions do not prevent MTS jobs from leaving this province, if MTS should be owned by a private company from outside this province. Many of those jobs could well move east or move south of the border.

In the May 31 government news release, the Minister responsible for MTS is quoted as saying, and I will quote the minister: "This legislation is important for Manitobans since it allows them the opportunity to continue controlling MTS. As well, it is the foundation upon which the new MTS-Manitoba Telecom Services Inc.—will build a future that I believe will be just as strong as its past."

Now, those are the minister's own words. Those are fine words, Madam Speaker, allowing Manitobans to control a company they already own. Special share offerings may put Manitobans first theoretically, but as in Alberta, when AGT was sold, less than 10 percent of Albertans ended up owning shares in the telephone system, and we can expect the same thing here, that less than 10 percent of Manitobans will end up owning those shares.

So we are expected to believe it is progress to move from a telephone system that is now 100 percent owned

by the people to one that is possibly 10 percent owned by the people, and possibly the richer people, nor am I comforted by the proposal that the maximum share holdings for residents and nonresidents or persons or groups of associated persons be restricted to 15 percent.

The control will move into fewer hands, and the direction will be more profits, not necessarily better service. The vast majority of Manitobans will be shareholders in name only, and this is particularly ironic now that MTS is doing well. In fact, the net earnings for the six-month period ending June 30, 1996, as my honourable colleague for Thompson pointed out, was \$15,510,000, up almost \$9 million for the same period last year, and we are very happy with that, which is one more reason for not selling it.

It is true that there is a large long-term debt for MTS, but much of the debt was incurred in modernizing the service, bringing service to remote areas of this province, so it is not bad debt. The serious question we have on this side of the House is, will the privatized MTS be willing to incur major debts in the future to upgrade equipment and services for all regions of Manitoba, or will the privatized MTS be content to stay only in the south, where the big markets are, the safe, profitable markets? That is the question.

What is likely to happen, Madam Speaker, is that Bill 67, as a reflection of what is already happening in the transportation sector, rationalized similar changes in the communications sector. As privatized railroads, owners of railroads, like CN and CP, walk away from their moral obligations to keep railroads alive in rural, remote and northern regions, so will privatized telephone companies gravitate to where the population and the money is, and that leaves us in the North high and dry.

Yes, MTS subsidizes the rates that northern and rural Manitobans pay for telephone service, but this equalizing effect is not a bad thing. Telephones are not a luxury in this country. They are in some countries, but in this country they are a necessity. Seniors tell us how important telephone service is for them, not just for medical reasons to phone a nurse or a doctor, but for morale reasons, for psychological reasons. How else could elderly citizens stay in touch with their children who may well be scattered all across this vast country?

Bill 67 will result in a privatized system that will put telephone service out of reach for some senior citizens. The system then exists to generate profits for shareholders, not provide cheap accessible service to seniors or people on fixed income or people on social assistance. There no longer will be a mandate to keep telephone rates affordable for all Manitobans. We know that. We know that under a privatized telephone system the rates will increase dramatically. It happened in Alberta, and, in fact, Albertans are now paying 34 percent more for basic telephone service than we are paying.

Privatized telephone companies want full cost recovery plus. As is the trend now in the transportation system in this country, that will inevitably mean user-pay systems. The trouble with user-pay systems is that they might make sense in a narrow bottom-line world but do not necessarily make sense if a wider view is adopted. For example, it might make sense for CN to abandon the Sherridon line, and it does make sense for their bottom line, but it does not make economic sense for the people in northwest Manitoba. It might make sense under a privatized MTS to limit telephone service in northern Manitoba because it is not cost-effective or profitable for the shareholders, but it would not make much sense for the person in Tadoule Lake or Lac Brochet.

What happened to the old-fashioned notion that citizens of this province, regardless of whether they live in the isolated North or in the crowded cities of the south, and I include Winnipeg here, should have more or less equal access to communication and transportation systems? That is how this country was created, Madam Speaker. If we deviate from this pattern, then we are prone to create a Canada where we rationalize as normal the creation of two Canadas or two Manitobas, one for the rich, one for the rest, or one system for the heavily populated areas of the south and another system for the less populated areas, the rural areas or the northern areas.

Madam Speaker, MTS has not failed us; this government has failed MTS. It is for ideological reasons that this government wishes to sell MTS. They have no mandate to do so. It was never raised as an issue during the election, and although it is true that governments are elected to act and sometimes to make difficult or tough decisions, that is true, Bill 67 was not a decision that needed to be made at this time. The public did not press

for these changes. In fact, 90 percent of the public do not agree with these changes. There was virtually no public discussion about the pros and cons of privatizing a telephone company that is already owned by the people of Manitoba. Now, I know that the Minister responsible for MTS (Mr. Findlay) honestly believes that Bill 67, and perhaps his government even believes that Bill 67, and the consequent sale of MTS is beneficial for Manitobans.

An Honourable Member: No, they do not. A lot of them do not believe it.

Mr. Jennissen: Well, my honourable colleague says that many of the backbenchers do not believe it either, and he is probably correct. However, it is not an opinion that I share or the people on this side of the House share.

In fact, if it were by some quirk of fate true that most Manitobans were in favour of privatizing MTS, then it would have been a major plank in the Tory election platform, because they surely run on gung ho issues that press all the hot buttons at the right time, and if 90 percent of the people were in favour of saving the Jets or if 90 percent of the people were in favour of saving MTS through privatization, they—

Madam Speaker: Order, please. When this matter is again before the House, the honourable member for Flin Flon will have 14 minutes remaining.

The hour being 5:30 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, October 15, 1996

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