



Second Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

Standing Committee

on

Public Utilities

and

Natural Resources

Chairperson
Mr. Jack Penner
Constituency of Emerson



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

THE STANDING COMMITTEE ON PUBLIC UTILITIES AND NATURAL RESOURCES

Friday, November 8, 1996

TIME – 2 p.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Mr. Jack Penner (Emerson)

VICE-CHAIRPERSON – Mr. Ben Sveinson (La Verendrye)

ATTENDANCE - 10 – QUORUM - 6

Members of the Committee present:

Hon. Messrs. Findlay, Stefanson

Messrs. Ashton, Laurendeau, Penner, Pitura, Sale, Struthers, Sveinson, Tweed

APPEARING:

Mr. Gary Doer, MLA for Concordia
Hon. Darren Praznik, MLA for Lac du Bonnet
Mr. Richard Yaffe, Legal Counsel

MATTERS UNDER DISCUSSION:

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

Mr. Chairperson: Would the Standing Committee on Public Utilities and Natural Resources please come to order. When this committee last met, we were considering Bill 67, The Manitoba Telephone System Reorganization and Consequential Amendments Act, clause by clause. We had left in the midst of debating an amendment that had been moved by Mr. Sale which was adding a new section after Section 38. What is the will of the committee?

Mr. Steve Ashton (Thompson): I suggest we continue with the debate on that motion, then we have a number of

other amendments we have. But I would suggest after that if it is appropriate, we may wish to move straight into the provisions dealing with pensions. So I suggest we finish the debate on this and move straight to pensions after this.

Some Honourable Members: Agreed.

Mr. Ashton: Mr. Chairperson, on the proposed amendment, I was in the process yesterday of putting a few remarks on the record. I would like to continue. The amendment is very simple. It would require a vote of the people of Manitoba before MTS could be sold. If there is one thing that we found the last month, and we were holding meetings going back to January of this year as part of our campaign to save MTS, one thing was clear that the people of Manitoba want to have a say over the future of their telephone system.

* (1410)

I mentioned this last night. There was an interesting survey that was conducted by, I guess, it was the coalition to save-SOS. They took a survey of Manitobans, and I think if anybody looks at it, it is a fairly accurate reflection of what many Manitobans are saying: 16 percent of Manitobans said they support the sale; 62 percent are opposed to the sale. In fact, there were more people who said they were undecided or did not know than actually supported the sale. Consider that, Mr. Chairperson. But you know one thing that was unanimous, about as high as you could ever get in any survey, was that more than 80 percent said put it to a vote—80 percent of Manitobans think that we should have a vote on the future of our telephone company.

I say to the government, think of it for what it really should be considered. You can call it a referendum if you like. It is listed there. I think what it would be is equivalent to a shareholder's vote, and everywhere we have gone in the province, that is the term that people use about MTS. That is why so many people do not support the sale, particularly do not support the sale without

being involved in the process. They are the shareholders of MTS today. A lot of the people have commented on the fact that if it is sold off, it is ironic they are being asked to buy back what they already own.

I say to you, Mr. Chairperson, if this was a private company or a co-op or any organization, you are looking at the sale of the entire company, what is the one thing that would have to happen? A vote of the shareholders. So we are not only dealing here with what I think is appropriate democratic process, it is something that happens even in the corporate sector. That is why we are moving this particular motion.

Now I want to reflect on something else, Mr. Chairperson. I mentioned this last night. The government had another option. In the election they could have been honest about their intentions; they could have said that they were going to sell off the Manitoba Telephone System. Did they? Not only did they not say what they were going to do, they said the complete opposite. They said in the election: We have no plans to sell off MTS. They said it in the House afterwards. They said that up until September of 1995. A lot of people are saying—and said at the committee hearings—throughout the province, the government does not have a mandate. I say, if they do not have a mandate and, in fact, said they were going to do the complete opposite, if they then proceed to have this corporation of service wealth since 1908, with more than a billion dollars worth of assets, if they sell it off, it will not be a legitimate sale, not in the eyes of many people in Manitoba unless there is consent, unless there is a vote.

So this goes to the root not only of whether the government can—and I know there has been some hope on their part to push this through and get on with the sale, and I can understand that. Even today, as we are going to be debating later some further amendments, there may be some concern on Bay Street, maybe the brokers are not too happy this morning, but I think we need to deal in a very careful way with this bill. This bill is probably the most significant bill that has been before the Legislature certainly in the past 10 years, probably in decades, both for its ramifications in terms of MTS itself, but also I think for its ramifications for the democratic process.

I want the government members to think very carefully about this because I would like to see a referendum for a

number of things. I mentioned the fact that I do not think the sale will be legitimate if there is no sale after having a vote.

There is another thing as well, if you consider it. The government has not had a single public meeting, Mr. Chairperson. I mentioned this yesterday. Those of us who have been going around the province debating the issue of MTS, we have had public meetings throughout Manitoba. We have organized in conjunction with local people. We end up in the bizarre situation where I have often had to answer questions, well, why is the government doing this, and try to put forward what I think are the arguments. I must admit that I was probably not the most unbiased source in putting forward the government's case. They probably could have done a better job themselves. You know what, I hope that at some point in time there will be at least even one meeting; perhaps we are in some of the committees, the local MLAs would show up and we would have a real discussion and debate.

The people of Manitoba deserve that. MTS served us since Sir Rodmond Roblin brought it in, in 1908, deserves this. This is not the way to deal with the sale of the Manitoba Telephone System. It is not the way to handle any democratic decision.

I want to appeal one more time to the government. What better way of resolving this issue right now? Putting it to a vote. I will even say, by the way, Mr. Chairperson, I do not see any problems. We do not have to worry about expenditures. When I look at the fact that the government spent \$400,000 in advertising and they have 16 percent of the people supporting what they are doing, they can spend \$4 million. It is not going to change peoples' minds. The people of Manitoba, they can make their independent judgment. They can spend \$40 million. They can do whatever they want but at least if we have a vote, the end result will be a legitimate decision. I will fight the sale of MTS, along with every last member of the NDP caucus. But you know what, if we fight the good fight and we lose, the people vote to sell it off, it is democracy. We will accept that.

I urge the government, and I have been trying to urge government members, the two who could vote the other way and defeat the bill, and I realize that is difficult unless it is a free vote. I realize it would be a lot of

pressure on each and every one of you, and you know, I know it is a long shot. But you know you can avoid even getting to that position. If this is agreed to, you do not really have to worry about it because you will not be the one voting against your constituents to sell off MTS, because your constituents will have a say. Your constituents will have a say.

So I appeal to government members, think about it. Think about where we are going to be as a province with the two roads ahead of us. The one is the route that you have been trying to follow thus far, which is to push it through, and I know it is easier to do that, Mr. Chairperson, to hope that it is just going to be over, and I assume hope the people will forget in a few years. By the way, I do not think they will. I know a lot of people have told me, they will remember this. They are very concerned about this sale.

* (1420)

The other route is to go back to where you should have gone in the first place. You should have gone to the people in the election. You did not. Now is your chance. So I would urge, Mr. Chairperson, members of this committee to do the right thing and make sure the people of Manitoba have a say over the future of MTS through what we think would probably best be called a shareholder's vote. Let us put the future of MTS to the vote of the people of Manitoba. Thank you.

Mr. Gary Doer (Leader of the Opposition): I want to speak to this amendment proposed in the committee. This is certainly a position we have proposed to the Premier (Mr. Filmon) in Question Periods over the last six months since we were alerted to the fact that brokers had been hired to do a so-called independent study to review the privatization of the telephone system, which was in our opinion, and acknowledged by the Premier, to be a breach of the election promise that was made to the people of Manitoba.

This breach of this election promise came less than 12 months after the actual vote. We were able to confirm in the House on December 16, 1995, that in fact brokers had been hired. The election of course was in the same year, and we believe, if you go to Dauphin or if you go to other communities, we know that Conservative candidates across the province said it is the Conservative

Party's position. In fact, it was the Filmon team position. They were not using the word "Conservative" very often. It was in the small print; you had to really look carefully. I had to buy these glasses to see "Progressive Conservative" on the signs, but the Filmon team position was that the telephone system would not be sold under their government.

This is actually the second major promise on Crown corporations in the history of this province, because prior to the 1969 election Ed Schreyer promised that he would establish public auto insurance and he made it part of the platform. The candidates went out and made that part of the democratic decision making prior to the '69 election, and, of course, the government was elected with a minority government and proceeded to implement with compromise with the then-Liberal and now—or Larry Desjardins, the compromise on the public auto insurance.

Now we fast forward to 1995, and we have a completely opposite promise from a Premier. So the question is, what mandate, what democratic mandate, what right do you have to break your word to the people that elected you on a major issue? This is not a minor decision, and this is not a decision that you can reverse easily, although we intend on reversing it. Representative government does not mean you misrepresent what you are going to do. It does not mean you misrepresent what you are going to do in the election campaign.

Now the Premier (Mr. Filmon) has used a couple of rationales for this broken promise, and one is that he discovered one morning after the election that MTS was now in a much more competitive situation than it was a few years ago. But he is the one as Premier that authorized the early competition, five years earlier than Saskatchewan, and out-of-province long distance calling. He is the one that initiated the competition in terms of some of the business communication devices, not something that was unreasonable, I would suggest, but it certainly happened well before 1995. He cites cellular telephones. I can tell the minister and he knows that I signed the Order-in-Council on cellular telephones. I signed the Order-in-Council that would allow us to compete at the retail end, but the revenues onto the publicly owned telephone system would be returned to the public telephone system, the Manitoba Telephone System. So a lot of these decisions had been made on competition well before the '95 election, and we do not

buy it is a reason to misrepresent the position of the government.

The government says the world is changing. We agree with that. The world was changing 10 years ago when cellular telephones came in. It was changing when digital switching was introduced. It was changing when we started, and the government, to its credit, continued the introduction of single line services. I noticed there was a story today on Shoal Lake, and that is a process that had to start. I would note to all members here that Manitoba and Saskatchewan are well ahead on the elimination of single lines, well ahead, as the Union of Manitoba Municipalities has pointed out, of the private company in British Columbia, the private company in Ontario, on the elimination of single lines, because there is a social objective as well as an economic objective to make sure that everybody in our communities has total access to the equal information highway in the telecommunications world.

This government has no mandate to proceed with this broken promise, so how do we rectify that? If they feel that things are changed and we have to have a decision, why are they afraid to go to the people and have a referendum? The government has justified referenda legislation in their balanced budget. The Minister of Finance (Mr. Stefanson), who is very, very involved in the privatization of MTS, along with the head of Treasury Board, is very, very involved in this decision, has justified referenda legislation for increases in taxes.

So I suggest to you, how can you justify having a referenda legislation on an increase of personal income tax of 1 percent, which is \$17 million to the Treasury, or an increase in health- and post-secondary tax of one-half of 1 percent, which may be \$50 million to the Treasury, and not have a referendum on a \$1.2 billion dollar corporation that has been owned by Manitobans for decades and which was promised that it would not be sold? As the member for Thompson (Mr. Ashton) has indicated, we would have more rights if we were private shareholders. Why should the public shareholders not have the right to vote on this new privatization proposal? Why are we afraid of that? Why are we afraid to give people the vote?

Now, the mechanics of a vote, I would refer members opposite to the 1995 Elections Manitoba report. By the

way, the government, in terms of its referendum legislation, as I pointed out in the debates, did not deal with property tax credit changes, did not deal with sales tax spreads, and some of the areas that we noticed that had been increased in taxes in the past were not subject to the referendum legislation, but that debate is already concluded.

I refer the members opposite to the Elections Manitoba report where they state that we are dealing with, in 1996, the priority of implementing the referenda requirements under The Elections Act required by the balanced budget legislation. So there is already, in 1996, work that has been proceeded with according to the 1995 annual report by Elections Manitoba on implementing the amendment that we are placing before this committee. We believe that this is a major decision. There is only one way to get a democratic mandate after you have promised to do the opposite, and that is to have a vote of the shareholders of the Telephone System. As the member for Thompson has stated, we obviously believe in public ownership. The Conservatives perhaps do not. Obviously with the Telephone System, they have abandoned their belief in public ownership.

But we are willing to abide by a vote of the public. Whatever our beliefs are, we believe that the public has a right to have a say on their phone system prior to the government making a decision. Why should 31 individuals who have promised one thing, that is, not to sell the Telephone System, why should 31 people have the unilateral right, and the Premier and the Minister of Finance and the head of Treasury Board with all their brokerage friends and friends in the financial community and the Bay Street connections that they have—why should Bay Street be determining what is going to go on with our Telephone System? Why can you not trust the people of this province? If you say the world is changing, and we agree with you, why can we not discuss with Manitobans how that world will change?

Will we have control in our own local communities? Will we have some of our hands on some of the levers of the economy collectively, or will we cede that to a private corporation? Will we make decisions on the basis of rates, jobs, investment in all of our communities on the basis of a balance for all our citizens, rural, northern, poor, and urban, or will we make decisions based on the return to the investor, the shareholder, because we

understand what the job of a new corporation will be in terms of telecommunications. It will be to get the maximum return to the shareholders, plain and simple. There is nothing complicated about it. I think Manitobans are intelligent enough to debate that issue, and intelligent enough to come to a conclusion. They are intelligent enough to vote.

* (1430)

I suggest to you that you have misrepresented your position on the telephone system. That is not representative government. Representative government means being predictable, delivering on your promises, and not saying one thing in an election campaign and doing something completely opposite. This is a decision dealing with a corporation that has been around decades.

A provincial election takes 35 days. Why are we afraid to spend 35 days to allow the people of this province to have a say as shareholders in their own Crown corporation? Thirty-five days. Do we have to dance to the beat of the brokers who are leaking this information all out over the newspapers, in the Financial Post and everything else? Do we have to just immediately come into line without giving the people of this province a say?

We know that some people will benefit from the sale. The brokers will benefit. We know that they will stand to win about \$25 million to \$30 million. Usually the executives of public corporations, when they become private, benefit greatly. Compensation packages double and triple. I do not know what the status is for the existing board of directors. They will benefit. I suggest that the shares may be underpriced. That is the word on the street. If that is the case, the people who buy the shares will benefit. If the shares are underpriced, that means for every \$1 that shares are underpriced, it may mean \$68 million to \$70 million the public of Manitoba loses. At the end of the day, there may be 50,000 people who buy the shares. The government thinks that will be mostly Manitobans, 50,000 people who buy the shares. I notice the headline in the paper saying "Manitobans to get a break."

Well, there are probably 1,150,000 people who will not be buying shares. So 50,000 people may do well. I think the headlines should have been "Shareholders to get a break," Manitoba shareholders, not Manitobans to get a break. I do not believe they are necessarily synonymous

and necessarily can be used in an interchangeable way. I do not write the headlines and I do not write the stories. I do not decide where they go. I daresay I never will have that opportunity.

The only way around this democratic conundrum of the Premier (Mr. Filmon) and members opposite—and we are appealing to the Tories to vote with their constituents. You cannot tell me that your constituents do not want a vote on this issue. You can tell me that some of them are in favour of privatization. You can tell me some of them are opposed to it. You cannot tell me that they are opposed to having a vote. You cannot say that to me. You cannot say that to your constituents. You cannot, I know that. People on either side of the issue, when you ask them the next question, do you think you should have a right to vote and all Manitobans should have a right to vote on it, they will say yes, we do.

This is a big decision. This is an important decision. This is a long-term decision. So, we are urging members of the Conservative side today to vote with your constituents, to vote with your word. You promised not to sell this phone system. Give your voters, your constituents, the public, a say in this decision. Then you can have a clear conscience after the vote about your place in history, because right now, your place in history is to ignore your constituents and break your election promise, or give your constituents in the next 35 days a chance to have a say on our future.

We will have the debate about what future it will be, one of public, nonprofit ownership where the community will have some say on rates, jobs, investments, and on the balance between rural, northern, and urban services, and the kind of social priorities in a phone system for the poor that we can do in a publicly owned corporation or the priorities that come from a private corporation where the bottom line is the objective of the corporation.

So I suggest to you, let us vote with your constituents and give your constituents a vote. That is why I would urge members opposite to break the chain of discipline coming out of the Premier's Office and the senior staff of the government. I would ask members to really think about what they are doing. I want members opposite to not deny their constituents a vote. We recommend strongly that the people should have a say, the shareholders should have a say, and the same rights as a

person would have as a private shareholder we believe would be incorporated with this amendment for a public shareholder in terms of the very future decisions we have to make. Thank you very, very much, Mr. Chairman.

Mr. Chairperson: Thank you very much, Mr. Doer. Is there any further discussion on the amendment? The question has been called. On a point of order, Mr. Praznik.

Point of Order

Hon. Darren Praznik (Minister of Energy and Mines): Mr. Chair, given that there are many members who are here today who are not members of the committee and that there are many in the audience who see us all here, perhaps the Chair, before he conducts the vote, can have the Clerk read out the official list of members of the committee. Many of us will not have a vote and are here.

Mr. Chairperson: I will, Mr. Praznik. I will, for the benefit of the committee, read out the names of those that have voting power on the committee: Mr. Ashton, Minister Findlay, Mr. Kowalski, Mr. Laurendeau, Mr. Penner, Mr. Pitura, Mr. Sale, Mr. Stefanson, Mr. Struthers, Mr. Sveinson, and Mr. Tweed.

* * *

Voice Vote

Mr. Chairperson: Question before the committee has been called. All those in favour of the amendment, would you please say yea.

Some Honourable Members: Yea.

Mr. Chairperson: All those opposed, would you please say nay.

Some Honourable Members: Nay.

Mr. Chairperson: I declare the Nays have it.

Mr. Tim Sale (Crescentwood): Recorded vote.

Formal Vote

A COUNT-OUT VOTE was taken, the results being as follows: Yeas 3, Nays 6.

Mr. Chairperson: I declare the amendment lost.

We will now proceed to item 15(1).

Hon. Glen Findlay (Minister of Highways and Transportation): Mr. Chairman, I think there might be a will to have a 10-minute recess before we proceed.

Mr. Chairperson: Is that the will of the committee? [agreed] There will be a 10-minute recess. The committee will reconvene at quarter to three.

The committee recessed at 2:35 p.m.

After Recess

The committee resumed at 2:45 p.m.

Mr. Chairperson: Could the committee come back to order. I would like to indicate to committee that we left a few minutes ago and we were dealing with 15(1). I just want to indicate to the committee that we have passed one amendment dealing with a fund in this committee.

Mr. Findlay: This is certainly a very, very important element of the bill for the company, for the employees and certainly for the government, to have a conclusion that can serve the needs of all. There has been very significant direction in my mind in the bill that the new pension plan on implementation day have equivalency to the existing plan. I know there has been some difficulty in understanding, trying to put force behind the word "equivalency." Certainly the company and representatives of the various unions had had meetings.

Mr. Chairperson: Mr. Praznik on a point of order.

Point of Order

Mr. Praznik: Yes, we are having a very hard time hearing the honourable minister at this end of the room. I know his comments are of great interest, not only to members of the committee, but to members who are in the gallery, so I would ask if staff could ensure his voice is being heard.

Mr. Chairperson: Thank you, Mr. Praznik.

* * *

Mr. Chairperson: We will ensure that our mike levels are raised that everybody can hear. Try that, Mr. Minister, how does that sounds now.

Mr. Findlay: Can everybody hear me now?

Mr. Chairperson: Is that better back there?

Floor Comment: Pull the mike a little closer.

Floor Comment: We like that, go ahead.

Mr. Findlay: You can start that, do it again.

Thank you, Mr. Chairman. It is indeed a pleasure to be here to hopefully announce to all assembled that we have agreement all the way around. Certainly it has been the intent of the government to be sure that this very critical item for the current employees, the retired employees for MTS as a corporation and for government come to achieve what we had directed in the bill, and that is that there be equivalency in the benefits from the old plan to the new plan.

There had been a lot of discussion around what that means, what equivalency means. Certainly I understand a fair bit of concern on the part of many parties. Lots of discussion and meetings took place. I know that the Minister of Labour (Mr. Toews) and myself met approximately a month ago with some of the employee representatives. I think that meeting, as was indicated by Mr. Beatty when he made his presentations, helped to move the yardsticks a little bit. Certainly I had hoped that it would move them to the goal line, but it did not really. Further negotiations happened involving the company and led us to a position yesterday where there was some dissatisfaction with whether there really was a full and complete understanding.

Yesterday, we had major, major meetings involving the Minister of Finance (Mr. Stefanson) and the Minister of Energy and Mines (Mr. Praznik), employee reps and the corporation. Certainly the opposition played a role in making sure that we got that done. We all wanted something that was signed that represented the idea of equivalency, that gave comfort to all, that as we passed these sections, exactly what everybody wanted was really going to happen.

We had read into the record yesterday the signed agreement that was signed by Mr. Bill Fraser, president, Maggie Hadfield on behalf of CEP, Bill Hales on behalf of TEAM, Harry Restal on behalf of retirees, David Nyhof on behalf of IBEW, and signed by the Honourable Eric Stefanson and the Honourable Darren Praznik, on behalf of government, an agreement that covers, from my understanding, all the issues that were of concern to people. Clearly, we will make some amendment proposals around how we would deal with a problem, and in terms of having an independent actuary appointed by the Provincial Auditor, in case there was need.

We will have another amendment here that certainly Mr. Sale has requested we do, and I agree with him, that it gives further clarity that if there is any disagreement or a misunderstanding between the intent of the sections in the bill and the MOU, that the MOU would take precedence. That I will be moving, and I think it completes the loop to be sure that the intent of equivalency is met on behalf of all concerned and there is no dispute down the road, and if there is, there is an independent process by which that dispute can be dealt with for the betterment of all.

So, Mr. Chairman, with those few remarks, I just want to say that I feel very grateful that all the parties went through that negotiation in the eleventh hour for sure, but we have some understanding now that gives everybody comfort that we are moving forward in a very positive direction.

Again, before closing, Mr. Chairman, I would like to thank the opposition for their indulgence and their assistance in moving this along, and I think we can all take some pride that we have manufactured something that works for all.

Mr. Chairman, I would like to now read into the record the amendments, if I may, without moving them. We will move them and then discuss them.

* (1450)

Mr. Chairman, the first one is

THAT the definition "implementation date" in subsection 15(1) be struck out and the following substituted:

“implementation date” means the date prescribed by the regulations after which the corporation is responsible for all benefits to which the persons described in clause (2)(a) are entitled under the new plan; (“date de mise en oeuvre”)

[French version]

Il est proposé de remplacer la définition de “date de mise en oeuvre” au paragraphe 15(1) par ce qui suit:

“date de mise en oeuvre” Date fixée par règlement et après laquelle la Société devient responsable des prestations auxquelles les personnes visées par l’alinéa (2)a) ont droit en vertu du nouveau régime. (“implementation date”)

Next is

THAT subsection 15(1) be amended by adding the following in alphabetical order:

“trust fund” means the trust fund maintained by the trustee under the new plan. (“fonds de fiducie”)

[French version]

Il est proposé d’amender le paragraphe 15(1) par adjonction, en ordre alphabétique, de ce qui suit:

“fonds de fiducie” Le fonds de fiducie que le fiduciaire tient en vertu nouveau régime. (“trust fund”)

Next is

THAT subsection 15(3) be amended by striking out “trustees of the new plan as soon as practicable after the implementation date” and substituting “trust fund under the new plan on or before the date prescribed in the regulations”.

[French version]

Il est proposé d’amender le paragraphe 15(3) par substitution, à “aux fiduciaires du nouveau régime après la date de mise en oeuvre”, de “au fonds de fiducie établi en vertu du nouveau régime au plus tard à la date précisée par règlement”.

Next is

THAT the following be added after subsection 15(2):—I am probably out of order now.

Independent actuary to review plan

15(2.1) As soon as possible after this Act receives royal assent, the Provincial Auditor shall appoint an independent actuary to review the plan proposed by the corporation for the purposes of clause (2)(a) to determine whether the benefits under the proposed plan are equivalent in value as required by that clause.

Concerns of independent actuary to be addressed

15(2.2) The corporation shall take any steps necessary to resolve any concerns raised by the independent actuary in a report prepared for the purposes of subsection (2.1).

[French version]

Il est proposé d’ajouter, après le paragraphe 15(2), ce qui suit :

Révision du régime par un actuaire indépendant

15(2.1) Le vérificateur provincial nommé, le plus tôt possible après la sanction de la présente loi, un actuaire indépendant chargé d’examiner le régime proposé par la Société pour l’application de l’alinéa 2a) afin d’établir si les prestations visées par le régime proposé sont équivalentes, comme l’exige l’alinéa en question.

Questions soulevées par l’actuaire

15(2.2) La Société prend les mesures nécessaires afin de régler les questions que soulève l’actuaire indépendant dans un rapport préparé pour l’application du paragraphe (2.1).

Then

THAT subsection 15(5) be struck out and the following substituted:

Liabilities assigned and assumed

15(5) All liabilities of the fund to the persons described in clause (2)(a) and all rights and obligations of the fund under any related agreements are assigned to and assumed by the corporation and shall become liabilities, rights and obligations of the trust fund under the new

plan on the date of transfer of the transfer amount pursuant to subsection (3).

[French version]

Il est proposé que le paragraphe 15(5) soit remplacé par ce qui suit:

Cession des obligations

15(5) Les obligations de la caisse envers les personnes mentionnées à l'alinéa (2)a) de même que les droits et obligations de la caisse qui découlent d'ententes connexes sont cédés et transférés à la Société et pris en charge par elle et deviennent ceux du fonds de fiducie établi en vertu du nouveau régime à la date du transfert de la somme transférée en application du paragraphe (3).

Mr. Chairman, THAT the following be added after subsection 15(8):

Effect of agreement

15(8.1) Nothing in this section is to be interpreted as nullifying the effect of the agreement, or any part thereof, executed on November 7, 1996 by representatives of The Manitoba Telephone System and of the employees, and by the Minister and one other representative on behalf of government, on the subject of pension issues.

I believe, Mr. Chairman, that is the group of amendments.

* (1500)

Mr. Chairperson: Thank you very much, Mr. Minister.

Mr. Ashton: Mr. Chairperson, I want to stress the importance and significance of what we are dealing with here, because the sale itself is significant. We are dealing here with the pensions of existing pensioners and close to 4,000 current employees, approximately 5,500 to 5,600 Manitobans. To put it in perspective, the value of the pensions is in the several-hundred-million-dollar mark—350—depends on who calculated it.

An Honourable Member: Over.

Mr. Ashton: Over \$350 million. As much as we have obviously been against the bill, period, and the sale of

MTS, one thing we have said right from the start is we wanted to make sure that people who have pensions and will have pensions through MTS are fairly treated no matter what, no matter where they end up working whether in the private sector or they remain in the public sector. That is, by the way, one of the reasons we sat here—I do not remember what night, did not want to deal with the clause-by-clause at 3:22 in the morning—was to ensure that proper steps were taken to deal with some very significant concerns. I do not want to relive that night. I cannot even remember which day it is exactly. That is right, they do not want to relive it either.

The point, I think, is this is something that has to be stressed. When we are dealing with something as significant as this, time has to be taken. Every last detail has to be looked at. Why I am pleased with these recent amendments is I think there has been evidence of good faith in doing exactly that. I want to thank the member for Crescentwood (Mr. Sale). Although I am the MTS critic, I was somewhat busy yesterday with other responsibilities as House leader, and much of the discussion that has gone on basically has involved Mr. Sale and others. I think that should be noted for the record.

Certainly I have been in touch with employee groups right from the start. I am pleased to see a good number of them are here today and that they have been involved in the process. We have been meeting with them, I know the government has, and that is important. This is really important, Mr. Chairperson. I do want to commend the government ministers who are involved in this, by the way, the Minister of Labour (Mr. Toews), Minister of Finance (Mr. Stefanson), and the Minister responsible for MTS (Mr. Findlay), because if there is one thing we can all agree on, we can agree to disagree on the sale of MTS, but I think when it comes to ensuring employees' pensions, that is one thing everybody agrees on. I am pleased with the series of amendments that we are dealing with which is evidence of the progress that has been made, even in the last 24 hours. I just remind people, Mr. Chairperson, as of yesterday, there was really no coming together on this issue. The process I think really came together yesterday, both the employee groups and pension groups being involved, the minister, our involvement, and others. There have been two significant events. Last night there was the signing of the memorandum of understanding which I think was a very

good exercise in good faith, and I cannot stress enough to my mind how significant that memorandum is to the pension recipients and the employees. I think it does give them far greater security and involvement in the pension plan than they have been granted up until now and does deal with a lot of the concerns.

Let us not forget, this is a whole new era for MTS employees, and a lot of people I have talked to have said when you are moving the Civil Service Superannuation Fund, there are a lot of concerns about moving into this uncharted territory of private pension plans. So we had that step last night. There was an amendment that was drafted. It was drafted in good faith. We never said anything to the contrary yesterday, but there were concerns about how far the memorandum was going to be reflected in the act. What has really happened since yesterday through today is that has taken place. There were a couple of other amendments we would have suggested, and we may still suggest or at least put on the record, that might have gone somewhat further, but it is a judgment call and I am not being critical. I think there has been good faith shown in these amendments.

What is most important to me is not so much what we feel, but what the employees feel and what the pension recipients feel. I would say in the last 24 hours there has been a shift from people feeling alienated, excluded and concerned to having had a real sense that they were part of the discussions, not a sense of it, they are part of the memorandum and that is really important for me, and I think should be important for all members. We will have our fight on the sale of MTS afterwards, but we are all going to have to look MTS employees and pensioners in the eye. We are going to run into people in our own communities.

I can say truthfully after what has happened, it really has not been an easy exercise going back this week. I think it was the right thing to do though, Mr. Chairperson, and I think that if we had been more hasty we would not be at this point today. I just remind us all of that because we all have different roles to play in this House and dare I say that I have been on both sides and I realize there are a lot of burdens and responsibilities that go with each side. I think out of this process we have all, certainly on the pension issue, fulfilled our roles to the utmost. I certainly feel that what we have done on our side has contributed significantly to that and what the

government has done, particularly in the last 24 hours, is evidence of very good faith to pension recipients.

I wanted to put that on the record and thank all those involved and hope that this is really going to provide that security of pension to the pension recipients. I think it has gone a long way, and I do thank all those who were involved.

Mr. Chairperson: Thank you very much, Mr. Ashton.

Mr. Sale: Just procedurally, Mr. Chairperson. We had an agreement yesterday, and I do not know whether to assume that it continues today—I think I probably should not—that staff members could answer questions directly if that was the minister's wish. Mr. Benson and Mr. Yaffe were very helpful yesterday in doing that.

* (1510)

Mr. Chairperson: Is there leave? [agreed]

Mr. Sale: I thank the committee for that.

Mr. Findlay: I move

Mr. Chairperson: Dispense.

THAT the definition "implementation date" in subsection 15(1) be struck out and the following substituted:

"implementation date" means the date prescribed by the regulations after which the corporation is responsible for all benefits to which the persons described in clause (2)(a) are entitled under the new plan; ("date de mise en oeuvre")

[French version]

Il est proposé de remplacer la définition de "date de mise en oeuvre" au paragraphe 15(1) par ce qui suit:

"date de mise en oeuvre" Date fixée par règlement et après laquelle la Société devient responsable des prestations auxquelles les personnes visées par l'alinéa (2)a) ont droit en vertu du nouveau régime. ("implementation date")

Mr. Chairperson: Amendment—pass.

Mr. Findlay: Mr. Chairman, I move

Mr. Chairperson: Dispense.

THAT subsection 15(1) be amended by adding the following in alphabetical order:

“trust fund” means the trust fund maintained by the trustee under the new plan. (“fonds de fiducie”)

[French version]

Il est proposé d'amender le paragraphe 15(1) par adjonction, en ordre alphabétique, de ce qui suit:

“fonds de fiducie” Le fonds de fiducie que le fiduciaire tient en vertu du nouveau régime. (“trust fund”)

Motion presented.

Mr. Sale: Mr. Chairperson, thank you. There is definition of a fund and trust fund and a number of other things. There is no definition of trustee. Is that unnecessary because it is defined in the Pension Standards Benefits Act or is it an understood term? Could we just have a bit of an explanation?

Mr. Richard Yaffe (Legal Counsel): The concept of a trustee is a legal concept and does not need definition. There is, wherever the term “trustee” is used in the bill, it is used in a phrase “trustee under the new plan” to make it clear that it is that trustee of which we are speaking.

Mr. Sale: Just so that we all understand, what is the relationship between the members of the pension committee which are established under the memorandum of understanding and the trustee?

Mr. Yaffe: The members of the pension committee would serve as the trustees under the new plan.

Mr. Sale: One of the questions we raised in considering amendments was whether there is any potential confusion about that and whether there should be a definition of the pension committee here now. We have agreed to an amendment that will link the two together, and I am not

wishing to spend a great deal of time on this, but given that the trustees are the pension committee, do we need to say anything to that effect?

Mr. Yaffe: I do not think it is necessary. I think under the federal legislation the pension benefits standards legislation, under which the new plan will be registered, it is clear that the committee and the trustees are one and the same, and we will be able to confirm that shortly.

Mr. Chairperson: Amendment—pass.

Mr. Findlay: I move—

Mr. Chairperson: Dispense.

THAT the following be added after subsection 15(2):

Independent actuary to review plan

15(2.1) As soon as possible after this Act receives royal assent, the Provincial Auditor shall appoint an independent actuary to review the plan proposed by the corporation for the purposes of clause (2)(a) to determine whether the benefits under the proposed plan are equivalent in value as required by that clause.

Concerns of independent actuary to be addressed

15(2.2) The corporation shall take any steps necessary to resolve any concerns raised by the independent actuary in a report prepared for the purposes of subsection (2.1).

[French version]

Il est proposé d'ajouter, après le paragraphe 15(2), ce qui suit :

Révision du régime par un actuaire indépendant

15(2.1) Le vérificateur provincial nommé, le plus tôt possible après la sanction de la présente loi, un actuaire indépendant chargé d'examiner le régime proposé par la Société pour l'application de l'alinéa 2a) afin d'établir si les prestations visées par le régime proposé sont équivalentes, comme l'exige l'alinéa en question.

Questions soulevées par l'actuaire

15(2.2) La Société prend les mesures nécessaires afin de régler les questions que soulève l'actuaire

indépendant dans un rapport préparé pour l'application du paragraphe (2.1).

Motion presented.

Mr. Chairperson: Shall the amendment pass?

Mr. Sale: We are on 15(3)?

* (1520)

Mr. Chairperson: 15(2). I have just been advised, if you would allow me, if the committee will allow, I have been advised that we should pass 15(1) as amended.

Clause 15(1) as amended—pass; Clause 15(2)—pass; Amendment—pass.

Mr. Findlay: Mr. Chairman, I move

THAT subsection 15(3) be amended by—

Some Honourable Members: Dispense.

Mr. Chairperson: Dispense.

—striking out “the trustees of the new plan” and substituting “the corporation and shall become liabilities, rights and obligations of the trust fund under the new plan”.

[French version]

Il est proposé d'amender le paragraphe 15(5) par substitution, à “aux fiduciaires du nouveau régime et pris en charge par eux”, de “à la Société et deviennent ceux du fonds de fiducie établi en vertu du nouveau régime”.

Motion presented.

Mr. Chairperson: Amendment—pass.

Mr. Sale: Mr. Chairperson, just for purposes of procedural clarity, we have an amendment that will come after we have gone through the agreed-upon amendments. Do we have leave that we can revert back at that time?

An Honourable Member: Leave.

Mr. Chairperson: Certainly. Is there leave? [agreed]

Clause 15(3) as amended—pass; Clause 15(4)—pass.

Mr. Findlay: Mr. Chairman, I move

THAT subsection 15(5) be struck out and—

Some Honourable Members: Dispense.

Mr. Chairperson: Dispense.

THAT subsection 15(5) be amended by striking out “the trustees of the new plan” and substituting “the corporation and shall become liabilities, rights and obligations of the trust fund under the new plan”.

[French version]

Il est proposé d'amender le paragraphe 15(5) par substitution, à “aux fiduciaires du nouveau régime et pris en charge par eux”, de “à la Société et deviennent ceux du fonds de fiducie établi en vertu du nouveau régime”.

Motion presented.

Mr. Chairperson: Shall the amendment pass?

Mr. Sale: Mr. Chairperson, I mean, the amendment is plain in its wording but I do not understand the substitution. What is the purpose of substituting “trust” for—we are talking 15(5) here?

Mr. Chairperson: We are talking 15(5). Shall the item pass—pass.

Mr. Findlay: 15(6). Go ahead.

Mr. Chairperson: Clause 15(5) as amended—pass; Clause 15(6)—pass; Clause 15(7)—pass. Clause 15(8).

Mr. Findlay: Mr. Chairman, I move

THAT the following be added after subsection 15(8):

Mr. Chairperson: Dispense.

Effect of agreement

15(8.1) Nothing in this section is to be interpreted as nullifying the effect of the agreement, or any part

thereof, executed on November 7, 1996 by representatives of The Manitoba Telephone System and of the employees, and by the minister and one other representative on behalf of the government, on the subject of pension issues.

[French version]

Il est proposé d'ajouter, après le paragraphe 15(8), ce qui suit:

Effet de l'entente

15(8.1) Le présent article n'a pas pour effet d'annuler, en tout ou en partie, l'entente signée le 7 novembre 1996 par les représentants de la Société de téléphone du Manitoba et des employés ainsi que par le ministre et un autre représentant au nom du gouvernement, relativement aux questions portant sur les pensions.

Mr. Chairperson: Shall 15(8) pass? I am going to deal with 15(8) first, and then I am going to deal with the amendment which is 15(8)(1) to come after 15(8). So I am asking whether 15(8) shall pass.

Mr. Sale: Mr. Chairperson, there is a potential procedural confusion here. One of our amendments that we would like to discuss after we have passed 15(8)(1) affects 15(8). Now if we pass 15(8), then we are going to have to come back and amend it. We could pass 15(8)(1) if that is permissible—I do not know whether it is or not—to go by 15(8) and—

Mr. Chairperson: What I will allow is I will allow you to discuss or to bring in your amendment dealing with 15(8) before we pass 15(8), and then we will deal with 15(8)(1) after that, after we have discussed your amendment. Is that agreeable?

* (1530)

Mr. Sale: That is agreeable. The problem is that they are not quite ready, I think.

Mr. Chairperson: Okay.

Mr. Sale: They need a few minutes, so maybe let us go to (9) and—

Mr. Chairperson: If 15(8)(1) is not affected by your amendment, then we can deal with 15(8)(1).

Mr. Sale: Agreed.

Mr. Chairperson: Amendment—pass. Clause 15(9)—pass; Clause 15(10)—pass. That is it. Now we can revert—

Mr. Sale: We could do Coming into force. I think we have not done Coming into force, Mr. Chairperson.

Mr. Chairperson: We could move onto 38, if you wish.

Mr. Sale: We could do 38 as far as we are concerned. There is no problem. Then we will come back.

Mr. Chairperson: Shall item 38 pass—You have an amendment, Mr. Minister.

Mr. Findlay: Mr. Chairman, I move

THAT section 38 be struck out and the following substituted:

Mr. Chairperson: Dispense.

Coming into force

38(1) Subject to subsections (2) and (3), this Act comes into force on a day fixed by proclamation.

Coming into force: subsection 5(1.1)

38(2) Subsection 5(1.1) is retroactive and is deemed to have come into force on January 1, 1996.

Coming into force: certain provisions

38(3) Sections 7, 16 and 28 and subsections 15(2.1) and (2.2) come into force on the day this Act receives royal assent.

[French version]

Il est proposé de remplacer l'article 38 par ce qui suit:

Entrée en vigueur

38(1) Sous réserve des paragraphes (2) et (3), la présente loi entre en vigueur à la date fixée par proclamation.

Entrée en vigueur du paragraphe 5(1.1)

38(2) Le paragraphe 5(1.1) est réputé être entré en vigueur le 1 janvier 1996.

Entrée en vigueur de certaines dispositions
 38(3) Les articles 7, 16 et 28 et le paragraphes 15(2.1) et (2.2) entrent en vigueur à la date de sanction de la présente loi.

Mr. Chairperson: Amendment—pass; Clause 38 as amended—pass.

Mr. Sale: Would the committee agree to a couple of minutes recess to allow counsel to finish the drafting?

Mr. Chairperson: Is it agreed? [agreed] Five-minute recess.

The committee recessed at 3:38 p.m.

After Recess

The committee resumed at 3:39 p.m.

Mr. Ashton: I thank the committee. I do have an amendment to move and I will speak to it. This is in regard to Section 37, if it requires leave, perhaps, to deal with Section 37.

I move

THAT the following be added after section 37:

Government's rights re shares

37.1 Notwithstanding any other provision of this Act, the government reserves the right to buy back any share of the corporation at fair market value.

[French version]

Il est proposé d'ajouter, après l'article 37, ce qui suit:

Droit du gouvernement de racheter les actions

37.1 Malgré les autres dispositions de la présente loi, le gouvernement se réserve le droit de racheter les actions de la Société à leur juste valeur marchande.

Mr. Chairperson: Is there leave to revert to 37? [agreed]

Motion presented.

* (1540)

Mr. Ashton: I referenced earlier today our concern about the legitimacy of the sale of Manitoba Telephone System under these current circumstances.

Mr. Chairperson: Mr. Ashton, could I interject? If we could have a bit of quietness in the room, and I would suggest to those members that want to discuss something else that they move either to the back of the room or just outside of the room. I would appreciate that. It becomes very difficult to hear, and I certainly want to hear what Mr. Ashton has to say.

Mr. Ashton: I would suggest that we deal with this motion now. It is an important amendment. It also does give counsel the opportunity to work on the amendments that are being dealt with on the pension side.

We have expressed concern, Mr. Chairperson, about the legitimacy of the sale of the Manitoba Telephone System. In my remarks earlier, I referenced a number of key elements of that, first of all, the fact the government did not have a mandate in the election. In fact, it has a mandate, I believe, to do the complete opposite, not to sell MTS. That is clear.

The next question, obviously, that has to be asked is if they had no mandate, in fact promised not to do it, has there been any attempt to obtain public support for what the government is doing? The answer then again is no. It is important to note for the record, the government has not had a single public meeting on the issue of the Manitoba Telephone System. The only thing that has occurred in the way of a public meeting is this particular committee process, and I think if one looks at what the committee process has done, I think it has done some positive things. One is we may have a resolution on a very, very important concern, that of pensions, and I think that in itself is a testament to the importance of this committee, but I also think it is reflective of the people of Manitoba.

We had a grand total of three people come before the committee supporting the sale of MTS. We had, I do not have the exact numbers, probably a couple hundred people—[interjection] One hundred and eighty-five came out against it.

An Honourable Member: One hundred and eighty-two.

Mr. Ashton: One hundred and eighty-two, sorry. Three in favour, I just want to write this down, and I would like the minister to confirm that, 182 against. Now, if you wonder if that reflects the province, I point out it was not just individual presenters but some very significant organizations which were part of the presentations.

When the Union of Manitoba Municipalities says that they are opposed to the sale of MTS, that has to send a message to the government about the depth of feeling about this in rural Manitoba. The Union of Manitoba Municipalities represents 166 rural municipalities, Mr. Chairperson. That is pretty significant. There is the Manitoba Society of Seniors and many, many other individuals, employees, MTS employee groups, so I want to deal with them.

Now, I mentioned earlier, too, about the polling results. What is interesting is that is probably the only reflection on a province-wide scale that has been done, and I would challenge the government to poll people out there. I would like to see them polled in the form of a vote, Mr. Chairperson. But let us recall this; 62 percent are against the sale. Those who are in favour of the sale do not even come in second, they are third. Twenty-two percent are undecided; 16 percent in favour. I mentioned this last night, when you start hitting 16 percent, if it drops much lower than that, you start running fourth behind the number of people in Manitoba who think that Elvis Presley is still alive. Quite frankly, when I look at the PC caucus, I wonder if maybe they might be in both categories so that might not be a fair polling result. I mean 16 percent in favour, I have never seen an issue like this.

An Honourable Member: You are getting repetitive. You said it yesterday.

Mr. Ashton: The Minister of Finance (Mr. Stefanson) says I am getting repetitive. He voted with us for a moment earlier on. Maybe I should go on another six-hour speech and by that time he will keep his hand up. Listen, we are making progress, you know, repetition here. It is sinking in. So I just want to put this in balance, though, because the support out there for the sale is not exactly very overwhelming and at 16 percent—I

mentioned this yesterday in committee and I will mention it again—16 percent would include the Conservative government, Conservative appointees, boards, commissions. There are enough people in Manitoba directly connected with the Conservative Party that that is about 16 percent right there. That is pretty rock-bottom support. You are not going to get much lower in anything you do, 16 percent.

(Mr. Vice-Chairperson in the Chair)

Now I will run this through again. You have not had a single public meeting. You already voted down in this committee public hearings. A few minutes ago, you voted down having a vote. You know what a lot of people said at the committee—we talked about this—three in favour, 182 against. What did they say? They said it is not yours to sell. They said it is not yours to sell. [interjection] Well, to the member for Turtle Mountain (Mr. Tweed), I am just referring to what committee members heard from the members of the public, and I am talking about groups like the Union of Manitoba Municipalities. I know there are many municipalities in the area he represents who passed these resolutions, and I think you have to respect what people are saying. People said time and time again, if maybe you had said this was your platform in the election we could accept that, and I want to put this into significance because I had mentioned this when I spoke the other night. Think about this for a moment. Now Mike Harris might be considered to be where on the political spectrum?

An Honourable Member: Extreme right.

Mr. Ashton: Extreme right. Well, I want to hold on to that for a moment. This is really scary here when I have to start using Mike Harris as a benchmark, Mr. Chairperson, I think it is very important—

Mr. Vice-Chairperson: Order, please. If we could just have one speaker at a time, it would be good.

Mr. Ashton: —to deal with this because Mike Harris—okay—right wing, extreme right wing, now what did Mike Harris do in the provincial election in Ontario? You know what he said about Ontario Hydro? He said what? He said he was going to review Ontario Hydro, maybe even look at privatizing it. Now compare that to the Premier (Mr. Filmon) in this election who said I will

not sell off MTS, I have no plans to sell it off. Now what did Mike Harris do? He reviewed it. What is the decision? They are not privatizing Ontario Hydro. It is on the back burner. Why? Because they looked at the facts including the tax liabilities. So we have Mike Harris, right wing, whatever you want to call him.

(Mr. Chairperson in the Chair)

Now, the Manitoba government, they did not run on this in the election. Okay, so they are not up front, but where do they fit in the political spectrum? What are they doing now? They are saying, we are going to privatize MTS. Let us look. Did they do the analysis that Mike Harris did in Ontario? No. I mean, we saw that they brought in three investment brokers. They paid them \$300,000 to do what? To recommend whether the government should sell off MTS. Now, did anybody in this room, anybody in the province honestly believe that three investment brokers from Bay Street would come in and say, do not sell it? I mean, the first thing is, you paid \$300,000 too much. Actually, I will tell you what, I think they probably would have done it for nothing because, what is happening now? They are selling it off.

There are now two brokerage firms. One of them has merged with the other. So you are now in the situation where the government took the advice from the investment brokers. They got 16 percent support from the public.

Now, we talked about the tax liability in question—unanswered questions. We talked about the impact on rates. Was it not interesting—we went and did a study on rates. We contacted the people who prepared information for the CRTC and then the Premier (Mr. Filmon) said, well, we have our own studies but we cannot release them. You know what, Mr. Chairperson? I do not think they have the studies. The only study that is of public record, the only report that is out there, is a seven-page report from the investment bankers who are now going to be handling the sale and benefiting from the sale.

Now, I want to put this into perspective for a moment. Does anybody think maybe there is an ideological aspect of this decision? Think about it for a moment. They have not done the analysis, no objective analysis here, not a single public meeting, no public hearings anywhere in the province, no vote of the people of Manitoba. I mean,

does it not strike you that the decision was made some time ago, I suspect even before the election, by a small group? I do not think all members were involved in this, and I even think that the Minister responsible for MTS (Mr. Findlay), quite frankly—for the longest period of time until these committee hearings I thought that he knew about this and was not telling me the truth. I tend to think that he did not know. I say that to him because I think that is important for him to know coming from myself. I think a small group made this decision. Does it not strike you, there may be some ideology here?

Let us put this on a political frame here. Mike Harris, right? Right wing. He said, we will study it and decided, no. Remember Gary Filmon the moderate? What did he do? He said, oh, we are not going to sell it off. That sounds pretty moderate. What is he doing? He is selling it off. You know, if anybody ever believes any suggestion that Gary Filmon is a moderate again, just throw back three words: M-T-S.

* (1550)

Gary Filmon is further to the right on public ownership than Mike Harris, a scary thought. I never thought I would use Mike Harris as a benchmark of reasonableness. I actually used Brian Mulroney the other night when I suggested that, you know, I remember the 1988 election. Brian Mulroney did what? He said, we are in favour of free trade. He campaigned on it. I think it was bad for the country, but at least he did that.

Mind you, when he got in the GST, that was the undoing of the government. Just think what happened, by the way. They went from government to two seats. Now, I think that is two seats too many. But I just warn the government when you deal with issues like MTS, if you do not listen to the people, you know, 16 percent is interesting, because that was around the level that the Mulroney Conservatives were running in support for what they were doing around that time, and look what happened. Two seats. If you do not think it will happen here, believe you me, talk to people across Manitoba like we are. They are angry about this and they think it is wrong, which gets me to this amendment, because what are we supposed to do in this province as a result of this?

Now, I have not given up yet; we have tried everything. The public hearings we had earlier, the discussion about

the vote, it was voted down. Guess what? We are going to move it again in the House. We will have recorded votes. We will get the Minister of Finance (Mr. Stefanson) to keep that hand up a little bit longer. We are going to keep trying until the bitter end. I look at it this way, I have had people say, what is the point? But you think about if we had given up even the committee a few nights ago, we would not be dealing with a resolution on the pensions issue. It ain't over till it's over. But, you know, when is it over? Think about it. The vote goes through. I still hope there are still two members on the government side who will vote with us.

An Honourable Member: No, we are team, Steve.

Mr. Ashton: The member for St. Norbert (Mr. Laurendeau) says that they are a team, but they also are MLAs who represent the people of Manitoba. I ask you to do one thing, ask your constituents what they want you to do on this issue.

Anyway, what are we supposed to do if the vote goes through, say, too bad we lost? Now think about this for a moment. Lost on what? Is this a legitimate process? Did the Premier (Mr. Filmon) have a mandate? No, he said the complete opposite. Politically, it is wrong. I think this whole thing has been unethical in the way it has been dealt with including right up until the sale itself.

We have a leaked prospectus. We have the investment brokers now making money off the decision they recommended. That is wrong. It is unethical. So I come back to the amendment. The bottom line with the amendment is, we do not accept on behalf of the people of Manitoba that this government has any right to sell off MTS without a vote of the people. It is not over when the final vote takes place if they push this through. Thirty people are not going to decide MTS, 30 government MLAs. It ain't over until in this case the public has their say. In the next election, if the people of Manitoba vote out this government, and I think they will, and if they say it was not legitimate, there has to be provision put in place to reverse what this government has done. That is what this amendment does, it allows a future government on behalf of the people of Manitoba to correct an illegitimate decision.

You know, it will be interesting to see what the government members say. I am not saying those are the

people who will be debating in this committee on that—on this matter but even in the House because I hope you are not assuming that this is a done deal because it is not. Well, people may say, well, there are problems with NAFTA. There are problems with NAFTA. It ain't over till it's over. To the member for Turtle Mountain (Mr. Tweed), you said in the election, your party said, you were not going to sell MTS. I think you have to understand, you have some time left in your mandate, maybe three years, maybe less than that, you have to be careful. I speak from experience, governments can have shorter mandates than they anticipate particularly when government members vote against the government. Just think about it. Two of you could make history on this, be heroes in your constituencies.

But in the next election, there has to be a provision in place that if there is any possible way of buying back MTS, it has to be done. That is why this amendment says, to buy back at fair value. That is important, Mr. Chairperson, because we do not accept this as being a legitimate sale, and we want a future government—we hope it is a future New Democratic Party government—to have the ability to reverse the damage that this government will be doing if it forces through the sale of MTS. Thank you.

Hon. Eric Stefanson (Minister of Finance): Mr. Chairman, very briefly, I do not believe that this amendment should be supported or is even required. If a government of the day ever did decide to take this kind of action, my understanding is there would be nothing stopping the government from doing so under a takeover bid so long as they met all the security laws of the day. So the motion is certainly not necessary, but I would anticipate that if a government of the day were ever faced with looking at this issue, it would be looking at obviously the financial requirements.

We have a Crown corporation today that we all know has over \$800 million of debt guaranteed by the people of Manitoba. It has hundreds of millions of dollars of financial requirements over the next few years. It has been rated by our Crown Corporations Council as a high risk with a negative trend, the worst rating that any Crown can receive. So I would certainly anticipate that any responsible government of the day would look at the financial implications and what is in the overall best

interest of Manitobans, Mr. Chair, and I do not anticipate that a motion like this will ever come to pass.

So I think the motion is not required, certainly, and should be defeated.

Mr. Chairperson: We have an amendment before us, and although I look very carefully at this amendment, and there is some question whether it might actually impose a financial expenditure by government, I think the action words here are, reserves the right to. It does not impose upon government a direction. There is a reserve here that is the action word in the amendment, so I will rule the amendment in order.

Voice Vote

Mr. Chairperson: All those in favour of the amendment, would you say yea.

Some Honourable Members: Yea.

Mr. Chairperson: All those opposed, say nay.

Some Honourable Members: Nay.

Mr. Chairperson: I declare the amendment lost.

Mr. Ashton: I request a counted vote.

Formal Vote

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 3, Nays 6.

Mr. Chairperson: I declare the amendment lost.

* * *

Mr. Sale: Mr. Chairperson, I thank the committee for allowing us to move back into pieces of the section which we just passed. Counsel has provided a couple of amendments, and I would like to, if I have your permission, read them and then speak to them together because the purpose of them is to function together as a piece.

Mr. Chairperson: First of all, Mr. Sale, there is a question, are there copies? Have copies been distributed?

Mr. Sale: If they have not, I would ask that staff distribute them.

Mr. Chairperson: Could copies please be distributed. Is there leave for Mr. Sale to read into the record the proposed amendments? [agreed]

Mr. Sale: Mr. Chairperson, I move, seconded by the member for Dauphin (Mr. Struthers), that the following be added after subsection 15(2)—now I know we have a Section 15(2.1) now, but it would just be renumbered if this were passed.

THAT the following be added after subsection 15(2):

Corporation to provide draft text

15(2.1) Before establishing the new plan and not later than November 11, 1996, the corporation shall provide a draft text of the new plan to employee and retiree representatives, who must submit to the corporation any proposed amendments to the plan on or before November 25, 1996.

Arbitration

15(2.2) If proposed amendments are submitted under subsection (2.1) and the corporation and the employee and retiree representatives cannot agree on the provisions of a new plan, the matter shall be referred to an independent arbitrator chosen by the parties whose decision on the matter is binding on the parties.

[French version]

Il est proposé d'ajouter, après le paragraphe 15(2), ce qui suit:

Texte préliminaire

15(2.1) *Avant d'établir le nouveau régime et au plus tard le 11 novembre 1996, la Société fournit le texte préliminaire du nouveau régime aux représentants des employés et des retraités qui doivent soumettre à la Société les modifications qu'ils proposent de faire au régime au plus tard le 25 novembre 1996.*

Arbitrage

15(2.2) *Si des modifications sont proposées en vertu du paragraphe (2.1) et que les représentants des employés et des retraités ne peuvent s'entendre sur les dispositions d'un nouveau régime, la question est renvoyée à un arbitre indépendant choisi par les parties. La décision de l'arbitre lie les parties.*

And then, Mr. Chairperson, to subsection 15(8), the section we have not passed yet, the deemed consent section. That subsection, this one is handwritten for committee members.

* (1600)

Mr. Chairperson: Could we have that distributed as well?

Mr. Sale: The computer broke down. All computers do. Murphy's law.

Mr. Chairperson: You may proceed, Mr. Ashton—or Mr. Sale, I am sorry.

Mr. Sale: I move, seconded by the member for Thompson,

THAT subsection 15(8) be amended by striking out that part of the subsection preceding clause (a) and substituting the following:

“The persons described in subsection (2) are deemed to consent to the following only after the new plan has been registered under The Pension Benefits Standards Act, 1985 and a certificate of registration has been issued under that Act indicating that the plan complies with that Act;”.

[French version]

Il est proposé d'amender le paragraphe 18(8) par substitution, au passage qui précède l'alinéa a), de "Les personnes visées par le paragraphe (2) sont réputées consentir à ce qui suit uniquement après l'enregistrement du nouveau régime en vertu de la Loi sur les normes des prestations de pension et la délivrance, en vertu de cette même loi, d'un certificat d'enregistrement indiquant que le nouveau régime est conforme à cette Loi.

Motion presented.

Mr. Chairperson: I will read into the record—dispense. Shall the amendment pass?

Mr. Sale: I thought we were going to get it there for a minute. Everybody is preoccupied. Let me explain why this is of concern. Under the status quo situation, the drafter of the new pension plan is the company, and the

employees have expressed a great deal of concern about that. I should say for the record they have not only expressed concern, the unions that have been in bargaining with the Manitoba Telephone System for about five months now, I believe, repeatedly requested access to the drafting process or copies of a draft plan that they could react to. They have been repeatedly denied that; indeed, as I think all committee members are aware, but particularly the minister and the Minister of Finance (Mr. Stefanson) and the Minister of Northern Affairs (Mr. Praznik), who was with us earlier, are aware this was one of the very contentious issues in the difficult negotiations of yesterday.

By the time agreement was reached yesterday, I think all parties were tired, tense and of a single mind of what they wanted to achieve. I believe they had what is in this amendment in mind. I do not suggest otherwise, Mr. Chairperson.

What this amendment does is secure not just the right for the employees to see the new plan and then have their concerns ignored, which is what the memorandum of agreement allows but, to see the new plan, express their concerns, forward them to the company, have them considered for insertion in the new plan and, if the company disagrees, to then submit this disagreement to an independent arbitrator chosen by the parties who will make a binding decision.

I think members of the committee will understand that late last night after a whole day of meetings, everybody was tired and, again, that is a very good reason for not doing what we do when we are all beat, because we do not always see what in the light of day may be clearer. In this case, the MOU does not provide any means, any remedy for the employees, who may raise a serious concern in regard to the plan and, for whatever reason, whether it is reasons of collective bargaining tactics or simply an unwillingness to deal with a problem on the part of management, something that is not all that unusual in the real world, the employees have absolutely no remedy under the memorandum.

This amendment provides a remedy that is fair to all parties. It allows the company to draft the plan. It allows the employees to review the plan. It sets time limits on that review. The process cannot drag out for weeks and weeks. In fact, it is a two-week window

starting on Monday. I am glad The Remembrance Day Act is in abeyance here, I guess. We are not quite sure how we can do all that photocopying on Monday, but we will figure that out. There is a two-week period following Monday in which the employees can intensively study the plan and put forward amendments. So this is not an opportunity for them to delay the process or to enter into some kind of tactics to string out bargaining.

Now, in the event that the company and the employees disagree, the company has every incentive to be a willing partner to this, because they want to get a plan. They want to get it registered and they want to get on with this. Quite apart from the decision to privatize, assuming that is not one that we are debating here, we are debating the rights and needs of pensioners. They want a plan. So they have an incentive to agree to reasonable requests, which they do not have now under the MOU and, secondly, the provision of an independent arbiter agreed to by the parties, both parties have every incentive to agree to an arbiter so they can get on with this, because nobody wants to go into the new company, assuming the whole thing is passed, with an uncertain pension plan.

So I think there is good will on the government side, there is good will on the Telephones side, there is good will on the employee side but, unfortunately, in the pressure of discussions last night, there is a window in the MOU which I honestly do not think anybody really intended to be there. I think that there was a recognition that there was good faith on everybody's part and they thought they had achieved the desired end.

Mr. Chairperson, with your permission, I want to speak to the other parts of the amendments as well, so that the whole package is on the table. Then we can have some discussion on it.

Mr. Chairperson: Is there leave? [agreed].

Mr. Sale: The other amendment is to the Deemed consent section, Section 15(8). It would be hard to overstate how offensive this section was to employees until yesterday. It is less offensive today than it was yesterday, but it was profoundly offensive. If you read Section 15(8), what it says is that everybody has been deemed to consent to terminating their participation in the superannuation plan, moving their assets to the new plan

which they have never seen, had no voice in and had no say over in any significant degree until the MOU, then to the termination of participation in group benefits and to rights in The Civil Service Superannuation Act.

So, Mr. Chairperson, it would be really hard to overstate just how profoundly alienated the employees were, the retirees were, by the assertion that they were deemed to have consented to a process in which they had been at that point even unable to get a hold of the plan to which they were deemed to have consented to.

I know that the minister and the Finance minister and others understand that issue. I know that is what they were responding to in the MOU. They were making sure that there was an opportunity for some light to shine on this process.

So the second part of this amendment, Mr. Chairperson, to Section 15(8) is to clarify that consent comes after the act of registering the new plan under the Pension Benefits Standards Act, so that the new plan has been seen by the employees through their representatives, through their pension committee, through their union representatives, and their retiree representatives, and has had a chance to go through technical amendments that might be proposed by actuaries, and if necessary, though I am not assuming it would be necessary, an arbitrator has decided any outstanding points, the plan is then submitted for registration. That is when consent is deemed to have taken place under this amendment.

* (1610)

I think it is really important to put yourselves, as members opposite, in the position of being a pensioner of MTS and being told in the initial instance that you have been deemed to consent to something that you have never seen, cannot see and have no say in, that deeply affects your future security, and in which you are asked to put your trust.

Without implying that this would happen in the Manitoba Telephone System, I ask you to remember what happened in Route Canada. Route Canada was a subsidiary of a Crown corporation, CN; it was privatized several years ago. To put it bluntly, it was looted by the new owners. It was a federally registered pension under the Pension Benefits Standards Act, but it was looted.

The company was bankrupted, the pension plan was bankrupted. There are employees all over Manitoba of Route Canada who had lost absolutely everything in that process. As employees, they lost wages that were owed to them; they lost all their pension benefits. Basically, they lost their life savings in many cases.

I am not for a minute suggesting that is what is going to happen this case. I am simply saying, put yourself in the position of a person dependent on their retirement income and try and sense how you would feel if someone said to you, you are moving from the public plan, with all the guarantees of the public sector, to a private plan, with only the guarantees of the Pension Benefits Standards Act, which members opposite probably do know does not guarantee pensions.

There is a misunderstanding in the public often that the PBSA in some sense protects and guarantees pensions something like the Canada Deposit Insurance Corporation protects deposits. It does not. It regulates how pensions shall be invested and how they shall be administered but it does not protect the assets of the plan. So it is, I think, really vital that all of us who are still at work and earning whatever income we earn put ourselves in the position of a vulnerable, older person whose whole life is dependent on this pension plan.

So these amendments are meant in good spirit and they are meant to pick up the spirit of agreement that was evident here last night and I think has been evident here today again, to do what I believe government, union and MTS people intended, but to make it plain, and secondly, to remove the really offensive component of the deemed consent section. So I hope that we will have a process of coming to some form of agreement on this amendment. It is put forward in the spirit with which the minister has put forward the other amendments that we have agreed to today, Mr. Chairperson.

Mr. Chairperson: Thank you, Mr. Sale.

Mr. Stefanson: Mr. Chairman, I do not believe either one of these amendments are necessary, and I will speak to both of them, as Mr. Sale has done.

The first one, the amendments proposed to Sections 15(2)(1) and 15(2)(2), as has already been put in the

record by the Minister responsible for Manitoba Telephone System (Mr. Findlay), by members of the opposition, a great deal of work was done yesterday in terms of reaching an agreement that is satisfactory to all parties as it relates to the whole issue of pensions and the issue of equivalency. As a result, we came to an agreement, that we are all aware of, that was signed by representatives of the unions, of the retirees of Manitoba Telephone System and by the government.

I believe that agreement does address all of the fundamental and key issues that were of concern. It also was done with the input of professional advice, both on behalf of the employees and on behalf of the Manitoba Telephone System. Therefore, Mr. Chairman, I do not believe that Section 15(2)(1) or 15(2)(2) are necessary. If you get into wanting to reopen this agreement, there is nothing to say that MTS might not come back with some other issues themselves. I think this issue was the basis of a great deal of effort on everybody's part to find a solution and to find an agreement that protects the plan for the employees and meets the test of equivalency.

Section 15(8), or the amendment relating to 15(8) is definitely not necessary because the issue addressed in it is in fact already covered. The reason I say that is if you look at 15(8), it says, the persons described in subsection (2) are deemed to consent, and 15(8)(b) refers to the new plan. If you look at the definition of new plan on page 15 of the bill, the new plan means a registerable pension plan, established by the corporation, and registered under the Income Tax Act, Canada and the Pension Benefits Standard Act (1985) Canada.

What is being proposed in this amendment is, in fact, already covered in the legislation, Mr. Chairman, and therefore that amendment is definitely not necessary. As we know, with the agreements that were reached yesterday, there is going to be significant input on everybody's part to find solutions to the final package of the pension plan in terms of the equivalency and all of the elements of the plan.

Mr. Chairman, I believe that both of these amendments should be defeated.

Mr. Ashton: I just want to put a brief comment on the record. I appreciate what we have done previously, and I appreciate there is some question in terms of whether

the provisions are required or not. I do want to indicate, though, that one of the sections, this section we are dealing with, the deemed consent, was the area that created the greatest amount of frustration amongst MTS employees and retirees. There was a real feeling that no one, the government in particular, had no right to indicate deemed consent, when in fact real consent was required.

I think we have gone some way to ensuring there is actually a process now. I think the memorandum involving all the employee and retiree groups, the Minister of Finance and the Minister of Labour (Mr. Toews) is very important. I think that is essentially where we moved from. We moved from a point where there was deemed consent, deemed by the Legislature, to a point where we are recognizing now the role of the employees and retirees themselves. That is why we would like to see these particular amendments make it clear that the deemed consent is not something that is brought in by the Legislature in a vacuum, but it follows only from a real involvement from people who have the only ability to give that consent, the employees and retirees.

I appreciate that there may be some sense that this process was going to happen anyway. I understand that. I am not trying to say in this case that we are questioning the good will. I think the good will is there. I think the procedures are in place to ensure there is going to be a process involving the employees and pensioners. That is very positive. I think it could have gone somewhat further by dealing with these amendments, and ensuring that that is not only the actual process, but it is very clearly reflected in the act. So, with those few comments, we are prepared to—Mr. Sale may have a few more comments and then we are prepared to—

Mr. Chairperson: Thank you, Mr. Ashton.

Mr. Sale: Mr. Chairperson, just to close and put on the record what I think the Minister of Finance said. I certainly take his point that 15(2)(1) essentially is in the MOU. It is in the amendment so that 2(2) can be there. That is why the repetition there, and 2(2) is not in the MOU. It is a step forward, giving employees some actual say that has real power in regard to the new plan. That is something that the minister I think is saying, and I just want to clarify for the record. Are you saying that the intent of the MOU is that there is real say in terms of the

new plan, and that the Minister responsible for Telephones, I think is indicating by his support for the government position on this amendment, that he would use his good offices, although they may be of short duration, that he will use his good offices to ensure that the concerns of employees are indeed taken seriously by the Manitoba Telephone System as it goes about the complex business of drafting a new plan that can achieve equivalency within the meaning given by the amendments we passed today, and if those are the assurances of the ministers, I am sure that the employees and retirees will feel very confident that they will put forward appropriate concerns and those appropriate concerns will be heard and responded to in a fair and just manner.

* (1620)

Mr. Chairperson: Thank you, Mr. Sale. Shall the amendment pass

THAT the following—

An Honourable Member: Dispense.

THAT the following be added after subsection 15(2):

Corporation to provide draft text

15(2.1) *Before establishing the new plan and not later than November 11, 1996, the corporation shall provide a draft text of the new plan to employee and retiree representatives, who must submit to the corporation any proposed amendments to the plan on or before November 25, 1996.*

[French version]

Il est proposé d'ajouter, après le paragraphe 15(2), ce qui suit:

Texte préliminaire

15(2.1) *Avant d'établir le nouveau régime et au plus tard le 11 novembre 1996, la Société fournit le texte préliminaire du nouveau régime aux représentants des employés et des retraités qui doivent soumettre à la Société les modifications qu'ils proposent de faire au régime au plus tard le 25 novembre 1996.*

Mr. Chairperson: Shall the amendment pass?

An Honourable Member: No.

Voice Vote

Mr. Chairperson: No? All those in favour of the amendment, would you indicate by saying yea.

Some Honourable Members: Yea.

Mr. Chairperson: All those opposed to the amendment, would you indicate by saying nay.

Some Honourable Members: Nay.

Mr. Chairperson: I declare the Nays have it. Mr. Ashton, on a recorded vote.

Formal Vote

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 3, Nays 6.

Mr. Chairperson: I declare the amendment lost.

* * *

Mr. Chairperson: Now, it has been moved by Mr. Sale that Subsection 15(8) be amended. Dispense?

Some Honourable Members: Dispense.

Mr. Chairperson: Dispense.

THAT subsection 15(8) be amended by striking out that part of the subsection preceding clause (a) and substituting the following:

"The persons described in subsection (2) are deemed to consent to the following only after the new plan has been registered under The Pension Benefits Standards Act, 1985 and a certificate of registration has been issued under that Act indicating that the plan complies with that Act."

[French version]

Il est proposé d'amender le paragraphe 15(8) par substitution, au passage qui précède l'alinéa a), de "Les personnes visées par le paragraphe (2) sont

réputées consentir à ce qui suit uniquement après l'enregistrement du nouveau régime en vertu de la Loi sur les normes des prestations de pension et la délivrance, en vertu de cette même loi, d'un certificat d'enregistrement indiquant que le nouveau régime est conforme à cette Loi.

Voice Vote

Mr. Chairperson: Shall the amendment pass? Yes? No? All those in favour of the amendment, would you say yea.

Some Honourable Members: Yea.

Mr. Chairperson: All those opposed to the amendment, would you say nay.

Some Honourable Members: Nay.

Mr. Chairperson: I declare the amendment lost. Mr. Ashton, on a recorded vote.

Formal Vote

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 3, Nays 6.

Mr. Chairperson: I declare the amendment lost. Clause 15(8)—pass.

Mr. Findlay: Mr. Chairman, I move

THAT Legislative Counsel be authorized to change all section numbers and internal references necessary to carry out the amendments adopted by this committee.

[French version]

Il est proposé que le conseiller législatif soit autorisé à modifier les numéros d'article et les renvois internes de façon à donner effet aux amendements adoptés par le Comité.

Motion presented.

Mr. Chairperson: Shall the item pass—pass; Table of Contents—pass; Preamble—pass; Title—pass. Bill as amended be reported.

Mr. Ashton: Mr. Chairperson, I just want to put a couple of remarks on the record, and I want to re-emphasize the point that we are pleased that some of the pension amendments have been made, but we are fundamentally opposed to the bill.

We are extremely disappointed that the government has not listened on such issues as public hearings and putting this issue to a vote. I want to say once again that we feel that the government has not listened to Manitobans when you have 182 presenters opposing the bill, 3 in favour of it—1.5 percent of the presenters. When you have 16 percent of the public supporting this, when you have very clear consensus in Manitoba that the least that should be done is that you put this to a vote, I think that is important to put on the record because I appreciate the fact that the government has listened on the pension issue, but unfortunately on the bigger issue, very big issue, I believe the government has not listened to the people.

That is why we will be voting against this, and we will be voting against this in the House. You can anticipate, Mr. Chairperson, that we will be probably having votes in the House on many of the issues we have dealt with in the committee, because we feel such issues of having a substantive vote is very critical. We want every single member of the Legislature, not just members of this committee, to have the opportunity to vote on the record as to whether they think their constituents should be able to decide on this issue or not.

So I want to say those words because we do not feel this decision is a legitimate decision, Mr. Chairperson. I am not questioning the legitimacy of the committee itself. I am talking about legitimacy in the political sense, and I wanted that clearly put on the record. Thank you.

Mr. Chairperson: Thank you, Mr. Ashton. Bill as amended be reported?

Some Honourable Members: Agreed.

Some Honourable Members: No.

Voice Vote

Mr. Chairperson: All those in favour of the bill as amended being reported would you say yea.

Some Honourable Members: Yea.

Mr. Chairperson: All those opposed would you say nay.

Some Honourable Members: Nay.

Mr. Chairperson: I declare the Yeas have it.

Mr. Sale: Recorded vote. A counted vote.

Formal Vote

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 3.

Mr. Chairperson: I declare that the Bill as amended shall be reported.

Mr. Sale: Just 30 seconds of thank-yous to staff in particular who worked very hard over the last several days to answer questions, some of which were silly, but many of which I learned a lot from. I appreciated the way in which the committee functioned as a problem-solving and process-oriented kind of thing. I think we got a lot of good work done. I wish the outcome were different, but nevertheless I do particularly want to thank staff who stayed very late often during this process. All of us are paid our exorbitant salaries for doing that, but staff I think often, we do not realize that they work the same hours during the day whether they work all night or not, and I wanted to record our thanks to them. [applause]

Mr. Chairperson: I wonder if the committee would allow me some leeway to make some closing remarks as Chairman. [agreed]

I want to extend my extreme appreciation for the tremendous co-operation that I have seen around this committee. Seldom ever have I experienced the kind of decorum around a committee table when we have had such an intense bill to deal with.

I want to single out Mr. Sale and the meticulous manner in which he dissected the bill and asked questions on all sections of the bill. It gave me a great deal of satisfaction that this committee had a complete understanding of what was being dealt with.

I want to also commend the minister for the excellent way in which he addressed the questions and answered the many queries that were put before him, as well as his staff.

I also want to commend all of the staff, including the staff in the back of the room, that worked long hours and, certainly, all legal counsel that is here today that were here through the night waiting for us to debate this bill.

* (1630)

So to all of the members of this committee for the extreme hours that you put in, and I have not got a count of the exact hours that this committee has sat, but I know it is many, I thank you for conducting yourselves in the manner that you conducted yourself, because you certainly did this House an honour by the way which we have proceeded through this bill. Thank you very kindly for your participation.

Mr. Findlay: I just want to echo the comments of Mr. Sale and the Chairman. Clearly, we have tremendous differences on the philosophy of what we are doing here. Clearly, we have, as the Chairman has indicated, conducted ourselves very reasonably in the process of the clause-by-clause even though we had tremendous differences.

Again, I want to congratulate the opposition members for understanding that we have to move the process even though you oppose it. I think we have constructively put

together a better bill in the process. As I recall, we have put in over 80 hours in the committee. I think that is over 11 days, if I am not mistaken, and the staff have done an incredible job—your staff, our staff and the staff behind us here. They sat through those many hours, had everything ready for us, and my staff, on my immediate left, were very well prepared and knew the technical information that we had to have here. I think that technical information really helped the committee move along. It allowed us to have answers right away as opposed to have to spend some time getting them and it helped everybody understand.

Just thank you to everybody. It is a tough process, but it is democracy in motion, and it is appreciated by all.

Mr. Chairperson: Thank you very much, Mr. Minister.

Mr. Sale: Mr. Chairperson, I have a souvenir for everyone. This is a motion which I almost moved last night, but I did not. So I would just like to distribute it, not for the record.

Mr. Chairperson: Thank you very much. What is the will of the committee? Shall the committee rise?

Some Honourable Members: Rise.

Mr. Chairperson: Committee rise. Have a great weekend.

THE COMMITTEE ROSE AT: 4:31 p.m.