

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 12 August, 1986.

Time — 2:00 p.m.

OPENING PRAYER by Madam Speaker.

MADAM SPEAKER, Hon. M. Phillips: Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the Honourable Member for Inkster, that the Report of the Committee be received.

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, I have a statement. I am awaiting copies. If members would appreciate it, I will ask leave to revert if they want to await the copies. Shall I proceed or do I have agreement . . .

MADAM SPEAKER: What is the will of the House?

HON. A. MACKLING: Copies are available now, thank you.

MADAM SPEAKER: The copies will be distributed.
The Honourable Minister of Labour.

HON. A. MACKLING: Thank you, Madam Speaker.
Allegations of an extremely serious nature have been made by a former employee of Manitoba Telephone System and its subsidiary, MTX, concerning the conduct of MTX in Saudi Arabia.

I would like to report to the House that on the basis of those allegations, I have immediately contacted the Attorney-General's office and requested their attention to this matter.

It is my understanding that the RCMP have been contacted to investigate those allegations. I wish to assure the House that this government intends to cooperate fully and completely in this investigation. I have also instructed the chairperson of the Board of MTS to secure all documents and records relating to MTX.

As I announced earlier today, it has become necessary to assess all the facts involved in the operations of

MTX and accordingly, I'll be contacting an independent management consulting company with international expertise to review the operations of MTX in their entirety.

I would expect a preliminary report will be ready within 60 days.

Decisions about the future of MTX operations will be made once these two investigations have been completed.

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker.

I commend the Minister for one item acknowledging that a serious problem exists, but in acknowledging that I suggest that the Minister has totally missed the requirement for a full and complete inquiry and investigation; that it is not done in-House by the Attorney-General or his department or any aspects of it; that it's not done by seeking the cooperation of those people within the Telephone System and MTX and SADL who have been involved in all of the inter-trading and manipulation of books and numbers and transactions that is not done in a manner that simply seeks to check records that are available to these people. Madam Speaker, what we need is a full and complete judicial inquiry.

We must have the books of all of the companies and their related operations open to public scrutiny, open to investigation. The opportunity to, under oath, examine the testimony of all of the various people who have been involved in the operation of MTX, SADL and its related and subsidiary companies in Saudi Arabia. Madam Speaker, this is not good enough. This is an attempt by the Minister to sweep things under the carpet, to get to a solution that will be only satisfactory to him and to his government in the sense that it will keep perhaps all of the information that will be detrimental to this government and to its operations out of public view. That is not what we need to be concerned about, Madam Speaker.

We need to be concerned about getting at the truth; we need to be concerned at getting all of the relevant information on the table; and we need to be concerned about getting all of the conflicting answers and conflicting information that have been put on the record by this Minister, by previous Ministers, by senior officials at MTS, MTX, SADL and all of their related and subsidiary corporations and this will not solve the problem.

Madam Speaker, this is a political response to a political problem. What we need is a public response - an open public response - that will bring out all of the information that is relevant to a very bad and very conflicting operation and one that is now subject to a great deal of speculation and criticism that can only be resolved by this Minister and his government taking the leadership to say we want to have this thing solved completely once and for all, and we have to have it

solved by an open and complete inquiry. That's the only thing that the Opposition believes is able to solve the problem and is able to satisfy the people of Manitoba, and we believe that this Minister has underestimated the problem and has sought political solution; and, in seeking that political solution, he has done a disservice to the people of Manitoba.

MADAM SPEAKER: The Honourable Minister of Labour on a point of order?

HON. A. MACKLING: No.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.

The item on the Order Paper on Routine Proceedings is Ministerial Statements and Tabling of Reports.

HON. A. MACKLING: Yes, Madam Speaker, I rise to table the Report of Manitoba Labour. It's Supplementary Information for Legislative Review.

MADAM SPEAKER: Notices of Motion . . . Introduction of Bills . . .

ORAL QUESTIONS

MTS - Judicial Inquiry re MTX and subsidiaries

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Yes, Madam Speaker, my question is to the Minister responsible for the Telephone System.

In view of the acknowledgement today in committee by a senior officer of MTX that at least one illegal kickback was paid by the Saudi Arabian subsidiary of MTX, will he now call for a complete and thorough airing of the situation and appoint a judicial inquiry?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, when any Manitoban believes that there has been action taken by another that amounts to a public wrong - in other words a crime has been committed - then when that information is brought to the Attorney-General's Department or anyone who is in a position to investigate those matters, that's our obligation.

These are very serious allegations that have been made in a sworn affidavit, serious allegations that, if true, would constitute a breach of the Criminal Code; and as such it is incumbent on us to refer this matter for immediate investigation.

If any of these allegations are true, there may well be criminal charges laid involving them; and should that be the case that is the proper forum to deal with any wrongdoing that has occurred by anyone.

MR. G. FILMON: Madam Speaker, the Minister will note that I didn't refer to allegations contained in that document. I indeed referred to the acknowledgement

before committee by a senior officer that at least one kickback, to his knowledge, had been made, an illegal payment by the Saudi Arabian subsidiary; and in view of the acknowledgement, further at committee today by a senior official that Theresa Aysan was employed by MTX - or by a related company and billed through MTX - contrary to Saudi religious laws; will he ask for a full and complete investigation of the operations of those companies so that the people of Manitoba can be assured that all of the information relevant to the issue is made public?

HON. A. MACKLING: Madam Speaker, in my opinion, there can be no better source of assistance in investigating alleged wrongdoing than the R.C.M. Police and their investigative squad, and it is to that agency that the Attorney-General's Department has made reference today for immediate action, priority action.

Now, in respect to the concerns that the honourable member indicates in respect to a Saudi law and tradition, there seems to be some discrepancies from time to time about what we learn about those traditions in laws and customs because, at the hearing today, we heard that it was common place and understood that, notwithstanding the rigidity of the traditions, workers did continue working through prayer hours in companies or organizations where there wasn't a trading with the people and it was alleged - and I don't know - that the Canadian Embassy in Saudi Arabia follows those same provisions of ceasing operations during the prayer hour. There is some variation in the evidence in respect to how strict those customs and conditions are. I don't think that is a matter of judicial inquiry. I think that the allegations that are contained in this affidavit warrant immediate action and that's what we have taken.

MR. G. FILMON: Madam Speaker, we're not just talking about criminal actions. Those are contained within the statement to which the Minister has referred. Madam Speaker, in view of the fact that senior officials today revealed what I would consider to be very poor business practices, whereby hundreds of thousands of dollars worth of equipment were sent over there without a commitment, without an order for purchase, were sent over there, will the Minister not now open the inquiry a great deal further than to specific criminal allegations, and ask for a complete judicial inquiry into all of the operations of MTX, SADL and all of its related companies in Saudi Arabia?

HON. A. MACKLING: I've indicated in the statement that this government takes seriously the concerns in respect to the need to assess the management of MTX and, as I've indicated in that statement, there will be a comprehensive management review that will ensure that we are fully advised as to what are our best options in connection with those operations. I believe that in respect to the suggestions or the allegations of public wrongdoing that the actions that we have taken are the appropriate ones.

MR. G. FILMON: In view of the fact that we have on the record, confirmed by senior officials today at the committee of inquiry into MTS information, that would indicate that information on the flogging incident, for

instance, was deliberately withheld from the Minister, that the Minister was misinformed by senior officials who knew, indeed, about the flogging incident and did not tell the information adequately or completely to the Minister who responded to the House, the former Minister of the Telephone System, will he not open up the inquiry further than just looking into management practices, than just looking into the criminal aspects of the allegations, but into the whole aspect of reporting relationships, information transmittal that leads to the image of a corporation that was rotten in terms of business practices, that did not indeed operate as any corporation should in the best interests of the public of Manitoba, and that was placing at risk millions of dollars of taxpayers' money because of shoddy operational practices and shoddy business principles? Will he not open up the inquiry to look at all these aspects, and not just narrow it so that it saves the political face of this administration?

HON. A. MACKLING: Madam Speaker, I know the Honourable Leader of the Opposition wants to make as much as he can out of his moment here. One of the concerns I have is why this sworn affidavit was not brought to the attention of the Attorney-General's Department on the 7th day of August, by presumably the Leader of the Opposition or the Member for Pembina, who apparently had this document in their possession? That is one of the matters, of course, I believe that should concern any Manitoban that people have withheld information that should have been brought forward in order that there should be early investigation of what are very serious allegations, Madam Speaker.

In respect to the management matters, as I've indicated, there will be a comprehensive review of management and of . . .

MR. D. ORCHARD: By whom? - by the same managements?

MADAM SPEAKER: Order please.

HON. A. MACKLING: . . . by an internationally-recognized consulting firm and that report, Madam Speaker, will be made available to members and the public with the exception, as I've indicated in committee, of any area of commercial confidentiality.

In that matter, Madam Speaker, I believe we will have covered all facets of this matter. There are serious charges in this affidavit; they are going to be investigated by the appropriate authority and that is the police.

In connection with the concerns about management policies and administration, that will be reviewed, recommendations will be received, and this government will act upon those recommendations.

MR. G. FILMON: Madam Speaker, if the Minister is concerned that I want to get to the truth, or that I want to get straight answers on all of these issues, then he and I share different concerns on this particular issue.

Madam Speaker, in view of the fact that the affidavit that was indeed tabled this morning at committee by a former employee of MTX in Saudi Arabia, alleges

breaches of Saudi Arabian religious laws, falsification of visa documents and educational qualifications - among other things fraudulent and illegal practices that the Minister has expressed concern about - misrepresentation of accounting entries and expenditures, kickbacks and illegal payments, under-the-table payments and alleges falsification of sales orders by employees, senior employees of the companies overseas; will he not realize that this is much wider than just simple criminal investigation; that it is a much broader investigation into all of the operations of the company that's required, and in the interests of open government and being honest with the people of Manitoba, we must have a judicial inquiry, and will he not ask for it now?

HON. A. MACKLING: Madam Speaker, this Minister and this government doesn't take away from the importance of ensuring that our public law, our Criminal Code, is respected and honoured; and when there is an allegation of a breach of that public code, it is acted on with dispatch.

Madam Speaker, immediately that information was brought to the committee, and it wasn't tabled by Mr. Ferguson, the deponent to the affidavit, it was tabled by the Honourable Member for Pembina — (Interjection) — tabled five days, as I understand it, after it was sworn. If the Honourable Leader of the Opposition is suggesting that a judicial counsel should be employed and we shouldn't turn the matter over to the police for investigation, then I think he has his priorities all mixed up. There's an obligation on the part of Manitobans to uphold and protect the law and when there's any wrongdoing, you don't hold a hearing to have some grandstanding; you try and investigate to determine whether those allegations are true. If they are true, then the consequences of the law follow.

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker. Madam Speaker, I have a question for the Minister responsible for the Manitoba Telephone System.

The independent management consulting company with international expertise that he intends to retain to review the operations of MTX in their entirety, will that independent management consulting company have the ability to call MTS senior officials to testify under oath at that inquiry?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, the terms of reference for the consultants will be sufficiently broad to enable a comprehensive review of all aspects of management to ensure there is complete disclosure to those management consultants so the consultants can make effective recommendations to government.

MR. D. ORCHARD: Madam Speaker, the Minister obviously did not hear my question. I asked him specifically: Will the independent management consulting company be able to take testimony from

senior MTS officials under oath to assure the truth and nothing but the truth is told to that independent management inquiry?

HON. A. MACKLING: Madam Speaker, the honourable member should appreciate the fact that the R.C.M. Police, who will be conducting an investigation into the allegations contained in that affidavit, if there is any substance to those allegations will be taking evidence, will be making those kinds of inquiries of all those whom they believe have any information that should be obtained in the process.

In respect to the management review, that is an entirely different matter, but the terms of reference will be, as I've indicated, broad enough and comprehensive enough to ensure that there is an effective management review so the consultants will be in a position to make reasonable and responsible recommendations to government.

MR. D. ORCHARD: Madam Speaker, in view of the fact that the Minister has not answered the question as to whether testimony would be under oath by the management consultant he intends to retain, would the Minister answer the question as to whether a judicial inquiry would require those same senior management officials of MTS to provide their answers under oath?

HON. A. MACKLING: Madam Speaker, as I've indicated, if there is an indication of criminal wrongdoing, the RCMP will be taking evidence by affidavit or otherwise. If there are charges laid, there will be an appropriate hearing. All of those matters will be dealt with effectively under the Criminal Code.

MR. D. ORCHARD: Madam Speaker, I will not pursue that line of questions any more since the Minister chooses to duck the answer.

MTS - accounting procedures

MR. D. ORCHARD: Madam Speaker, I have a new question for the Minister responsible for MTS, and I will preambule my question by quoting from the tabled sworn affidavit today:

"By this time, it became apparent to me that the accounting procedures implemented by Theresa Aysan, who continued to work after the flogging incident, departed significantly from normal accounting procedure in that they did not properly reflect the operations of the joint venture.

"I do verily believe that MTS was writing MTX equipment losses off against a parent corporation's account. I further do verily believe that MTX' operation expenses, as represented to the Legislature, have been consistently understated."

Madam Speaker, my question to the Minister responsible for MTS is: Will he not call a judicial inquiry to assure that we investigate fully, under oath, the intercorporate transactions between MTS, the parent corporation, and MTX, the subsidiary corporation, none of which activities are illegal, as are kickbacks which the criminal investigation will involve, but activities which certainly understate the amount of loss in MTX and the cost to the taxpayers of Manitoba which will be hidden without a judicial inquiry?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Thank you, Madam Speaker.

I, unlike the Honourable Member for Pembina, am not going to receive information and not act on it. I did indicate to this House that immediately I received this information, I have acted on it; and we will make every inquiry necessary to ensure that, if there is any public wrongdoing, which is alleged and not established at this time, then those matters will be dealt with.

In respect to the corporate matters, as I've indicated, there will be full review of those, and if there is any wrongdoing or misadministration, those matters will be addressed.

MTS - false information by senior officials

MR. D. ORCHARD: Madam Speaker, a new question to the Minister responsible for the Manitoba Telephone System.

In view of the fact that on numerous occasions senior officials of MTS have provided incorrect information to this Minister and to the committee, can the Minister give the assurance that his independent management consultant company inquiry will receive the correct information, under oath, from those same senior people in MTS and MTX that have misled this Minister on past occasions? What assurance do we have that they will not further mislead a management consulting review which has no obligation on them to testify under oath?

HON. A. MACKLING: As I've indicated, if there is any wrongdoing, then those matters will be investigated thoroughly.

We have acted promptly to ensure that there will be early inquiry, early investigation into the allegations contained in this affidavit; and we will ensure that everything that is necessary to be done will be done to ensure that there is a public accounting and a responsible dealing with this matter.

MTS - RCMP investigation re shoddy business practices

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker. My question is to the Minister responsible for MTS.

Will the RCMP be investigating shoddy business practices at MTX or SADL, such as equipment being shipped without orders; such as commissions being paid on equipment that was never sold; such as misrepresentation of accounting data? Will the RCMP be investigating those matters?

MR. D. ORCHARD: Of course not.

HON. A. MACKLING: Madam Speaker, there are two areas of concern. There are the concerns that we indicated early at the beginning of the committee, and that is a concern that there be a full review of the

management practices and procedures, and a full accounting in respect to those matters.

Now the new allegations of public wrongdoing, there will be a thorough investigation of those allegations and, if there is any foundation to them, then that review will encompass all matters dealing with the allegations themselves.

MTS - false and incomplete answers in committee

MR. G. FILMON: Madam Speaker, my further question to the Minister is, will the RCMP be investigating why, for instance, senior officials at MTS and MTX have given false and incomplete answers to the Minister and, indeed, to the members of the Legislature in committee in the past?

HON. A. MACKLING: Madam Speaker, there have been areas where there has not been complete information provided to Ministers. There were explanations given at committee. There were indications that, in respect to the incident that is being referred to, there was serious embarrassment on the part of people and there was a request that those matters not be reviewed in a public manner.

Madam Speaker, I think that there was rationality there for the less than complete disclosure. That, I think, was in error. I indicated at committee that doesn't excuse the lack of full information to a Minister, and that has not gone unrecognized; but I am very concerned that information apparently has been available, at least to some members of this House, about much more serious matters and was not brought to the attention of the Attorney-General's Department or the responsible Minister until today.

MR. G. FILMON: Madam Speaker, given that the Minister has acknowledged, on a couple of occasions over the past 10 days, that he has been given either false or incomplete information by senior officials of MTS and MTX, how does he expect them to tell the truth to some management consulting firms when they wouldn't tell the truth to the Minister responsible?

HON. A. MACKLING: Madam Speaker, I've indicated that we have taken initiatives to ensure that there is a comprehensive management review.

Madam Speaker, I hear, urged across the hall, "cover up." I want to know why a sworn affidavit, suggesting serious allegations in breach of the Criminal Code of Canada, was not brought to the attention of the Attorney-General's Department or this Minister for five days.

MADAM SPEAKER: Order please, order please.

MR. D. ORCHARD: Keep calling it grandstanding, fellas. You said that about McKenzie Seeds, didn't you? Remember McKenzie Seeds, Al?

MR. H. ENNS: You called that grandstanding, too.

MTS - judicial inquiry re MTX and subsidiaries

MADAM SPEAKER: If honourable members would come to order, I will recognize the Honourable Leader of the Opposition for another question.

MR. G. FILMON: Thank you, Madam Speaker. My question is to the Acting Premier.

Given that the responses of the Minister responsible for the Telephone System clearly indicate that there will be serious gaps in the investigation, no opportunity to investigate senior officials under oath, no opportunity to investigate the shoddy and rotten business practices of MTX and its subsidiaries operating overseas in a variety of different manners, given that he only wants to look narrowly at, and obviously this is an important and integral part, but the criminal aspects of it, but it goes much beyond that, will the Deputy Premier not show some leadership now and institute a judicial inquiry so that everything can be opened up so that people can once again have confidence in the management of the Telephone System and all of its related companies, so that the people of Manitoba will know that indeed this government is responsible for all of the things that are going on in a Crown corporation that it operates?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, I think the combination of the management review which will look at the economics of the MTX operations and will also look at the management procedures instructure along with the referral of the specific allegations to the RCMP is at this point the appropriate action. When we have the results of both of those investigations, then will be the time to see whether further actions are required, Madam Speaker.

MTS - notification of Board re MTX

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Madam Speaker, to the Deputy Premier, we appoint hopefully the best of possible people to various boards to act as watchdogs, not to run the day-to-day affairs of these Crown corporations. We have a public appointed board to run the affairs of Manitoba Public Insurance Corporation which has allowed its senior officer the kind of latitude that led to his dismissal. We have difficulty at the Workers Compensation where the executive officer is being investigated, although he's only on leave at this time.

We now find a situation where the Minister and the government is talking about criminal action by a Crown corporation and I have to ask the Minister and this government: what are their publicly appointed members of the board that are supposed to supervise and watchdog this operation for Manitobans doing? Has the Minister called the board in? Has anybody questioned the competence of the board at this point in time, Madam Speaker, not just now, but for the last two months while this question has been raging? Never

mind talking about criminal investigations, what has this government done with the people they appoint to supervise the affairs of MTS and MTX?

HON. M. SMITH: Madam Speaker, there is a criminal investigation. There is not as yet a criminal finding.

The board is accountable to the government for the operations of the Crown corporation and when the full analysis is available, Madam Speaker, if there are results that lead to a finding of incompetence or misleading or any of the allegations, action will be taken.

But, Madam Speaker, it's only prudent to wait until we have the full results, both of the RCMP investigation and of the thorough management review.

MTS - illegal kickback 50/50 joint venture in Saudi Arabia

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker. My question is to the Minister responsible for the Manitoba Telephone System.

Today in the committee hearing, Mr. Provencher indicated that he discovered an illegal kickback when he was perusing the books of the 50-50 joint venture in Saudi Arabia.

Can the Minister responsible for the Manitoba Telephone System indicate to this House when he was informed of the existence of that kickback?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

HON. A. MACKLING: Madam Speaker, I believe I was informed within the last two or three days in preparation — (Interjection) — for the review by the Committee . . .

MADAM SPEAKER: Order please.

HON. A. MACKLING: . . . and I was advised that the individual involved was a citizen of Saudi Arabia, that disciplinary action had been taken against that individual. He was no longer employed. He had never been, as I understood it, in the employ of the joint venture. He'd been a full-time employee of an affiliated company.

As such, there was no action that we could have taken in Canada in respect to a criminal investigation on that matter. Therefore, I believe there was no basis for a criminal investigation here, Madam Speaker.

MR. D. ORCHARD: Madam Speaker, in view of the feigned indignation given to us today by the Minister responsible for MTS of a five-day delay in presenting an affidavit, can the Minister indicate why with knowledge two to three days ago of a kickback in a 50-50 owned corporation in which the Manitoba taxpayers have investment, why he did not refer that matter to the Attorney-General's department and to the RCMP immediately upon him having knowledge of that kickback?

HON. A. MACKLING: Madam Speaker, I did not feign indignation at the committee. I am very troubled that

any Manitoban, whether it be Mr. Ferguson or anyone else, would have information of public wrongdoing and would not come forward to provide information on the basis of which an investigation could occur.

Madam Speaker, obviously the information contained in this affidavit was available for some time and apparently was sworn on the day when the committee was intended to meet, that was last Thursday.

Madam Speaker, subsequent to that day I was still receiving questions from honourable members, the Leader of the Opposition and the Honourable Member for Pembina, asking further information for the committee. I had already indicated there was a good deal of the information that I had expected would be required by the committee that still wasn't available and, therefore, it would be in the interests of the committee to meet today rather than last Thursday. But apparently the affidavit was ready for last Thursday, Madam Speaker, and no one came forward to give this information.

Madam Speaker, I was advised in respect to the allegation of kickback in Saudi Arabia that it was a matter that occurred between a Saudi Arabian and his company, a fully owned company of Sheik Al Bassan, the Al Bassan International. — (Interjection) —

Madam Speaker, the honourable members want to make light of this matter.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please.

HON. A. MACKLING: Madam Speaker, accordingly, it wasn't a matter that involved the joint venture to my knowledge; nor did it involve a matter over which we had jurisdiction.

MR. D. ORCHARD: Madam Speaker, the Minister has just replied that the kickback did not involve the 50-50 joint venture. It was discovered by Mr. Provencher in perusing the books of the 50-50 venture.

MADAM SPEAKER: Does the honourable member have a question?

MR. D. ORCHARD: Yes, Madam Speaker.

Would the Minister care to correct the statement he just put on the record and confirm to the House that the kickback was paid out of the 50-50 joint venture in which we, the people of Manitoba, have a 50 percent investment and that is where the kickback was paid from, half with Manitoba money?

HON. A. MACKLING: Madam Speaker, I won't point my finger at the honourable member and raise my voice.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. A. MACKLING: But I will once again indicate that in the answer I gave to the honourable member, I said that when I was advised of this matter, I understood that the individual involved was a Saudi Arabian who was working full-time for one of the companies of Sheik Al Bassan, and that man had been disciplined and the matter had ended there.

In accordance with the information I had then, I didn't believe that it was a matter that I could refer to the

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Attorney-General's Department, or anyone else, for immediate investigation.

MR. D. ORCHARD: Madam Speaker, the Minister in his last answer just indicated that according to information he was given, presumably by MTX and MTS officials, that the kickback was paid by a Saudi Arabian employed by a company, a wholly-owned company of the partner Sheik in Saudi Arabia.

Madam Speaker, can the Minister confirm that today at committee, Mr. Provencher indicated the kickback was paid out of the 50-50 joint venture, of which Manitobans have half their investment and pay half of the kickback?

Can the Minister indicate whether he was misled by the MTS officials two to three days ago, to allow him to make the statement that he just made, that he assumed it was paid for by a Saudi Arabian and not involving Manitoba funds? Was he misled?

HON. A. MACKLING: Madam Speaker, all of those matters, of course, will be the subject of review and where it's necessary they'll be reviewed by the RCMP or others. And, Madam Speaker, I will not make allegations. I will not come to conclusions without their being a full inquiry and investigation and I certainly will act promptly on these allegations, as I've indicated we have already.

I don't see, Madam Speaker, that it has value to continue to speculate, as the honourable member does, as to wrongdoing on the part of officials until full inquiry has been made.

MR. D. ORCHARD: Madam Speaker, in view of the fact that the Minister responsible for the Manitoba Telephone System has indicated that two to three days ago he was given information on a kickback by MTS-MTX officials, which indicated that it was paid for by the Saudi Arabian 100 percent owned company, and that today in committee, Mr. Provencher confirmed the kickback was paid by SADL - and Manitobans paid half of that kickback - will he not now call for a judicial inquiry so that kind of conflicting stories from senior MTS and MTX officials will not be allowed because a judicial inquiry would force them to testify under oath, Madam Speaker?

HON. A. MACKLING: Madam Speaker, I have full confidence that the Royal Canadian Mounted Police will, if there is foundation — (Interjection) —

MADAM SPEAKER: Order, order please. The Honourable Minister.

HON. A. MACKLING: Madam Speaker, I have full confidence that if there is foundation to the allegations in the affidavit that was tabled by the Honourable Member for Pembina this morning at committee, that the investigations that flow will be comprehensive and complete, and appropriate actions will be taken.

I have acted immediately upon receipt of this information and those investigations are under way.

Doctors, foreign-trained - limit on immigration of

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Thank you, Madam Speaker. I have some questions to the Minister of Health.

Given the fact that the Province of Manitoba is one of those provinces that relies heavily on foreign-trained medical graduates and doctors, where in rural Manitoba there is at least 51 percent of medical people who are foreign-trained; and given the fact that the Canadian Medical Association has a proposal to the Federal Government to limit the immigration of foreign-trained medical people, has his department undertaken any study of the impact of this proposal on the health delivery system in Manitoba, particularly in rural Manitoba?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Madam Speaker, there is a shortage of specialists, but besides that there are too many doctors in Manitoba. It's a question of distribution. It's a question of location.

The situation is that Manitoba would subscribe to the fact that we should limit, and I'm not talking about political refugees, but immigrants, but only if the local doctors, or doctors that are now in Manitoba would be willing to go in areas where they're needed. If not, Manitoba will continue to request the help of the Federal Government to recruit doctors from other countries.

That is also a concern because oftentimes they come in, the recruits, they go in the rural areas where they're needed for a year or so and then they come back to the city and that means there's more in the city. So there's an effort being made now by the government and the members of the MMA to try to solve this problem. I don't know if that's possible.

MADAM SPEAKER: The time for Oral Questions has expired.

MATTER OF URGENT PUBLIC IMPORTANCE

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, I move, seconded by the Leader of the Opposition, that the ordinary business of the House be set aside to discuss a matter of urgent public importance, namely, the absolute necessity for the appointment of a judicial inquiry into the affairs of MTS and MTX operations.

MADAM SPEAKER: The Member for Pembina has five minutes to make his case for urgency of debate, according to Rule No. 27.(2).

MR. D. ORCHARD: Madam Speaker, over the past four years I have been pointing out to various Ministers responsible for the Manitoba Telephone System, of serious problems in the MTX operation in Saudi Arabia.

I have been consistently turned down in terms of the concerns that I have expressed. No Minister, including

the present Minister responsible for the Manitoba Telephone System, has taken the time to investigate any of the circumstances that I have brought before committee. The Minister has indicated on several occasions that senior officials in MTS have provided him with incorrect information.

Just today in question period, Madam Speaker, the Minister has indicated that information on a kickback in Saudi Arabia was given to him two to three days ago and was not correct information given to him by those senior officials in MTS and MTX.

Today at committee, the correct version of that came out when those individuals were required to put their words on the public record of the Province of Manitoba, with repercussions if they did not tell the truth.

Madam Speaker, today in committee we tabled a sworn affidavit, a 12-page affidavit of a former employee of MTS who is involved in the MTX operation in Saudi Arabia, the allegations in that affidavit are wide-ranging and substantive. They are, first and foremost, in terms of legal importance, allegations of kickbacks. That has triggered an immediate response from the Minister in that the RCMP have been called in to investigate.

But, more importantly, Madam Speaker, there are numerous allegations within the sworn affidavit of improper bookkeeping procedures, of improper accounting procedures, of losses understated by the Manitoba Telephone System, which should properly show up in the books of MTX and prove, Madam Speaker, the case I have been making for four years, that MTX represents a substantial hemorrhage of funds in Manitoba, that the people of Manitoba - the ordinary Manitobans who are paying their telephone bills every month - are paying for losses in this corporation in Saudi Arabia, the little ordinary Manitoban is paying the costs of this adventurism in Saudi Arabia, which has been condoned and swept under the carpet by successive New Democratic Ministers.

Madam Speaker, the urgency of this debate today, and the reason it must proceed posthaste, is to attempt to convince this Minister and his government that we need a full judicial inquiry into the operations of MTS and MTX. It is only with the judicial inquiry, Madam Speaker, that those senior officials will be required to testify under oath, and that will disallow them from giving the kind of wrong answers they have given now on three successive occasions to this Minister and to other members of the Treasury Bench of this government.

It is only, under oath, with a judicial inquiry investigating fully the financial dealings of MTS and MTX together, will we get to the bottom of this situation where we now have at risk some \$16 million of Manitoba taxpayer money, money that we are borrowing while our credit rate is going down in this province.

Madam Speaker, the RCMP investigation is not sufficient. It will not, Madam Speaker, deal with the inter-corporate business transactions which are wrongly being done, as alleged in the affidavit, because those are not illegal activities, they are simply faulty accounting practices designed, I submit, Madam Speaker, to hide the true losses of MTX.

Furthermore, Madam Speaker, an RCMP investigation will take, not only months, but indeed years, and the truth will be hidden from the people of Manitoba until that investigation is complete, some two years from now, possibly.

Secondly, Madam Speaker, the Minister's offer of an independent management consulting company with international expertise to review the business operations of MTS and MTX is totally inadequate to the allegations that have been placed on the record today by sworn affidavit. The management consulting company has no ability to call those MTS officials and demand truthful answers from them, under oath. There is no such obligation, only a judicial inquiry will place that obligation, Madam Speaker, on MTS and MTX senior employees.

Therefore, Madam Speaker, I submit we do not have a moment to waste before we trigger a judicial investigation into the operations of MTS and MTX.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, as you are aware, in arguing a case for a motion to adjourn the House to discuss a matter of urgent public importance, it is incumbent upon the Mover of that motion to indicate why that matter is so urgent that the ordinary business of the house must be set aside in order for us to take under consideration that issue.

In many instances in the past, similar arguments have been made and have been answered by the Speaker in numerous ways, mostly indicating that there are many other opportunities for that debate to take place under the ordinary business of the house.

For example, today we will be going into the consideration of Estimates. The Member for Pembina, or any member, or every member of this House, if their purpose is, and I quote the member, not verbatim, but I think in tone, "to attempt to convince the Minister and his government that we need a judicial inquiry," they can take advantage of their grievance in order to convince or attempt to convince the Minister of that requirement. There in fact is ample opportunity for them to undertake that sort of an argument during that time.

As well, if members opposite wish another meeting of the committee, we have tried on every occasion to accommodate them to the best of our ability. That again is an opportunity for the member to attempt to convince the Minister and the government of their proposed action. When speaking to that action, I must indicate that this government, very clearly, has indicated that it considers this matter to be a serious matter; that it has undertaken specific action; that in fact we would deal with this matter; that it has undertaken a management review; that it has referred the allegations - and that's all they are at this time, allegations - to an RCMP review, which is the appropriate venue for those allegations to be considered.

It has indicated that it will deal with any matters of discrimination through legislative or regulatory or policy instruments, so that we are not in a position where Manitobans are directly, or indirectly, being discriminated against through trading practices. It has taken all the actions which are necessary to deal with the serious problems which the members opposite have indicated do exist. But, as for a matter of urgency, to set aside the ordinary business of the house, there is absolutely no case whatsoever.

I would suggest to the members opposite, if they want to pursue what they consider to be a proper course

of action, and they wish to discuss and debate with the government the relevance and the adequacy of their proposed actions versus the relevance and the adequacy of our proposed actions, they can do so in numerous ways.

For that reason, Madam Speaker, I would suggest to you that they have failed to prove that there is in fact a case requiring the ordinary business of the house to be set aside. The ordinary business allows them to continue their debate, continue their discussion in many numerous ways the grievance, or perhaps if they wish, I'd be prepared to discuss with the Member for Pembina and the Opposition House Leader and the Minister responsible for MTS, as we have done in the past, when we might hold another committee hearing so they could pursue these matters.

So I would suggest to you that this motion is out of order for that reason.

MADAM SPEAKER: As members know, there are several conditions that have to be met in order to have the ordinary business of the house set aside to debate a matter of urgent public importance, one being that the required notice has been given. I have had the required notice of this motion.

There are also two essential conditions that must be met: one, that there is no other reasonable opportunity to debate this question in the House; and the other is that the matter be so pressing that public interest will suffer if it is not given immediate attention.

Looking at this particular case: one, there are no Estimates relating to this matter to be considered before the House, and another method that a member could use to discuss this particular case would be a new Private Members' Resolution, which in all likelihood, considering the list of Private Members' Resolutions on the Order Paper, would not come up for debate before the end of the Session. I did, in perusing this motion before when I had notice, suggest to myself that question period is a time to seek information and not to debate the matter, although after the last question period I'm wondering about that particular option.

As the Honourable Government House Leader did point out though, there is the option of a grievance, which members could use, and certainly the fact that the committee could certainly be called again to complete their business from this morning. So there are two possible options in which this matter could be debated.

In terms of urgency of debate, not being present at the committee this morning, I am not sufficiently conversant with all the information that was raised at the committee.

Order please, could I continue. So, without knowing or having any information that points out sufficiently that there is urgency of debate, in terms of this issue, and actual evidence being presented to me that, in essence, the sky will fall in if this issue is not debated immediately and the . . . Order please. . . and that the public interest will suffer if this is not dealt with in terms of setting aside all the normal business of the House, I am not satisfied that this is a matter which is of sufficient urgent public importance to set aside all the business of the House.

With that, my next responsibility is to leave it to the House to ask: Should the debate proceed?

MOTION presented and defeated.

MADAM SPEAKER: The Honourable Opposition House Leader.

MR. G. MERCIER: Thank you, Madam Speaker. Yeas and nays.

MADAM SPEAKER: Call in the members.

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

YEAS

Birt, Blake, Brown, Carstairs, Connery, Cummings, Ducharme, Enns, Ernst, Filmon, Findlay, Johnston, Manness, McCrae, Mercier, Mitchelson, Nordman, Oleson, Orchard, Pankratz, Rocan, Roch.

NAYS

Ashton, Baker, Cowan, Desjardins, Doer, Dolin, Evans, Harapiak (The Pas), Harapiak (Swan River), Harper, Hemphill, Lecuyer, Mackling, Maloway, Parasiuk, Plohman, Santos, Scott, Smith (Ellice), Smith (Osborne), Storie, Uruski, Walding, Wasylycia-Leis.

MR. CLERK, W. Remnant: Yeas, 22; Nays, 24.

MADAM SPEAKER: I declare that the motion is lost. The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Madam Speaker. I was paired with the Premier. Had I voted, I would have voted in favour of the motion.

MADAM SPEAKER: The Honourable Member for Niakwa.

MR. A. KOVNATS: Thank you, Madam Speaker. I was paired with the Honourable Minister of Finance. Had I voted, I would have voted in favour of the motion.

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Yes, Madam Speaker, I move, seconded by the Honourable Member for Pembina, that the Legislative Assembly of Manitoba no longer has confidence in this government.

MADAM SPEAKER: Order please.

The honourable member's motion is not in order. It is a substantive motion which would be debatable and expresses opinion, which requires notice to the House and is not in order to debate at this time.

The Honourable Opposition House Leader.

MR. G. MERCIER: Madam Speaker, I would like to address the point of order which you raised.

MADAM SPEAKER: On the point of order.

MR. G. MERCIER: Madam Speaker, I would point out, and first of all obviously, the motion is an unusual one.

However, under Rule 36(1), it states, "The following motions are debatable, that is to say, every motion," and it runs through (a) to (j); and then goes on to refer to "any other motion made upon routine proceedings," - and we're still in routine proceedings - "as may be required," etc., for the maintenance of the authority of the House.

I submit to you under the unusual circumstances that have taken place today in committee, in question period, in the request for an emergency debate, Madam Speaker, that the motion is in order.

I point out to you, Madam Speaker, that in the House of Commons, the Opposition - under different rules, appreciating that - but the Opposition does have the opportunity on a number of days during the year of House Business to present motions of non-confidence in the government on matters they deem to be of particular significance and importance.

Aside from that, Madam Speaker, I just refer to that as another legislative body which has a different set of rules, but does certainly give the Opposition the opportunity to make a motion of non-confidence in the government. I submit to you, Madam Speaker, that under our rules and under that Rule 36(1), such a motion could very well be deemed to be in order and I suggest it is; and it is important that the Opposition, any Opposition, does have an opportunity from time to time on matters of extreme significance to present motions of non-confidence in the government.

We have chosen to do that today, Madam Speaker, in view of the circumstances that have gone on in committee today; have gone on in question period; have gone on in the response of the Minister, and in the request for an emergency debate to appoint a judicial inquiry because we feel it is an extremely important matter.

I would urge you, therefore, to consider Rule 36, in its widest latitude, Madam Speaker, which allows motions dealing with the maintenance of the authority of the House. We suggest, Madam Speaker, a motion of non-confidence does come within that jurisdiction and is well within four squares within that definition. This is a motion that has been put on the basis of non-confidence in the government, which is in effect, Madam Speaker, the authority of the House. We believe this Government and this House no longer has the confidence of the people of Manitoba, Madam Speaker.

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, I will speak briefly on the same point of order that was raised by the Member for St. Norbert. I submit to you, Madam Speaker, that we are in unusual circumstances and in these unusual circumstances unusual measures must be employed; measures which I believe should be given the broadest possible interpretation under the rules to be able to emphasize as strongly as possible the loss of confidence that has occurred with respect to the operation of this administration and, indeed, its handling of particular affairs, but culminating in the affair which we have been discussing at quite some length in question period today, the MTX operations in Saudi Arabia and overseas.

Madam Speaker, I suggest to you that we have been trying by all means possible to emphasize the importance of having this matter dealt with completely and thoroughly and we have seen the Minister responsible for the Telephone System, supported by his colleagues, stonewall and completely attempt to cover up and not allow debate with respect to this issue. So, Madam Speaker, I suggest to you . . .

MADAM SPEAKER: Order please.

Could the honourable member please address as to whether this particular motion is in order at this particular time.

MR. G. FILMON: Yes, I suggest to you, Madam Speaker, given the fact we have tried a number of different methods to allow for debate in the House here today on the particular matter, each of which has been unfortunately not been able to be dealt with, we are faced with having an unusual measure brought forward to be able to debate seriously the loss of confidence that has occurred in this government in its handling of the affairs of the responsibilities of the people of Manitoba.

I submit to you, Madam Speaker, that you ought to give the widest possible interpretation of the rules to allow for such a motion to be brought forward, to allow for the concerns of the people of Manitoba to be adequately dealt with by their representatives here in this Legislature.

MADAM SPEAKER: The Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, what the Opposition attempts to be doing by way of this motion which I believe you suggested, and correctly so, is out of order because of lack of notice, is to accomplish in another way what they failed to accomplish through the motion on a matter of urgent public importance.

In fact, when we went through that particular debate in this House, we indicated to them that there are other avenues available to them to make their point and, indeed, those avenues do still exist.

Now they attempt, by a somewhat circuitous route, to bring this matter back before the attention of the House ignoring the fact they do have the opportunity for grievances available to them; they do have many other opportunities for debate available to them.

When the Member for St. Norbert rises and says that under Rule 36, the following motions are debatable, and then goes on to read the list and indicates that any other motion upon the routine proceedings as may be required to the observance of the proprieties of the House, etc., in fact that motion is a debatable motion but it requires notice. That is what is not contemplated in that particular rule and the Member for St. Norbert, as Opposition House Leader should know, in fact, that when he suggested the motion is debatable, he is absolutely correct, but when he suggests it is not required that notice be given to that motion, he is not correct according to even the most generous interpretation of that particular rule.

So this motion is very much so out of order under the Rules of the House. There are other ways the Opposition members can bring this motion forward, if

they want to bring the motion forward in the proper manner, and it would be debatable if all the proper and appropriate procedures have been followed. But in this particular case, they have not been followed and for that reason, Madam Speaker, we respect the advice you've given and I believe the ruling you have made that this particular motion is out of order.

MADAM SPEAKER: The Honourable Member for Lakeside on the point of order.

MR. H. ENNS: Yes, Madam Speaker, just further to . . .

MADAM SPEAKER: Order please.

MR. H. ENNS: . . . that same point of order.

The Government House Leader couldn't be further from wrong when he suggests we are attempting, by this means, to arrive at the same conclusion we attempted to get at just a few moments ago.

A few moments ago, Madam Speaker, we gave this government an opportunity to discuss an important matter of public business. They denied this House that opportunity to speak on that and to openly discuss that.

We were simply asking a few moments ago to have an emergency debate, to set aside the ordinary business of the day to debate openly and in the public forum the very disconcerting information that all of us were made apprised of this morning in committee.

MADAM SPEAKER: Order please.

Could I briefly interrupt the honourable member to ask whether he is making a case for this motion to be in order? That is the point of order, not the content of what happened before or what you want to happen after. Is the motion in order is the point of order, and why.

MR. H. ENNS: Yes, Madam Speaker, that is precisely what I'm speaking on. I simply wanted to point out that the gist of the Government House Leader's argument fell off the mark because we are now attempting to do something quite different; we are attempting to defeat the government, Madam Speaker. That is also a matter of urgent public concern and I suggest the advice given by our House Leader to apply Rule 36 under these unusual circumstances, under which of course we will be forced to take other unusual steps should you rule against us, Madam Speaker, to allow for the motion as put before us.

MADAM SPEAKER: I do hope that last statement was not in any way a threat to influence the Speaker's ruling on the matter.

As I stated earlier, Beauchesne Citation 417 outlines the definition of a substantive motion which says: "Substantive motions are self-contained proposals, not incidental to any proceeding, amendable and drafted in such a way as to be capable of expressing a decision of the House."

The motion that the Honourable Leader of the Opposition has proposed is certainly a substantive motion. Substantive motions, according to Rule

51.(1)(c), requires that two days notice shall be given to a motion for the placing of a question on the Order Paper.

It's my opinion that the motion is a substantive motion. If the members are trying to plead a case that it should fall under 27 and that this motion should be a matter of urgent public importance, they could certainly have chosen to take that route.

By introducing a substantive motion without notice, the motion is certainly out of order, and very clearly out of order.

The Honourable Opposition House Leader.

MR. G. MERCIER: Madam Speaker, with all due respect, I must challenge your ruling.

MADAM SPEAKER: The ruling of the Chair has been challenged.

All those in favour of sustaining the ruling of the Chair, please say aye; all those opposed, say nay.

In my opinion, the ayes have it. The ruling of the Chair has been sustained.

MR. G. MERCIER: Yeas and Nays, Madam Speaker.

MADAM SPEAKER: Call in the members.

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

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

YEAS

Ashton, Baker, Carstairs, Cowan, Desjardins, Doer, Dolin, Evans, Harapiak (The Pas), Harapiak (Swan River), Harper, Hemphill, Lecuyer, Mackling, Maloway, Parasiuk, Plohman, Santos, Scott, Smith (Ellice), Smith (Osborne), Storie, Uruski, Walding, Wasylycia-Leis.

NAYS

Birt, Blake, Brown, Connery, Cummings, Ducharme, Enns, Ernst, Filmon, Findlay, Johnston, Manness, McCrae, Mercier, Mitchelson, Nordman, Oleson, Orchard, Pankratz, Rocan, Roch.

MR. CLERK, W. Remnant: Yeas, 25; Nays, 21.

MADAM SPEAKER: The ruling of the Chair shall be sustained.

The Honourable Member for Emerson.

MR. A. DRIEDGER: Madam Speaker, I was paired with the Premier. Had I voted, I would have voted against the ruling.

MADAM SPEAKER: The Honourable Member for Niakwa.

MR. A. KOVNATS: Thank you, Madam Speaker.

I was paired with the Honourable Minister of Finance. Had I voted, I would have strongly voted against the motion.

MADAM SPEAKER: Order please.

Tuesday, 12 August, 1986

COMMITTEE CHANGES

MADAM SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Madam Speaker. I have a committee change.

Statutory Regulations and Orders: Ducharme for Kovnats; Connery for Orchard.

HOUSE BUSINESS

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, first I would like to confirm that we will be having meetings of the Standing Committee on Statutory Regulations and Orders in Room 255 on Thursday, August 14, at 10:00 a.m. to consider bills referred to it: and the Standing Committee, by leave, running concurrently with the Committees of Supply on Municipal Affairs in Room 254 on Thursday, August 14, at 8:00 p.m. to consider matters referred to it.

MADAM SPEAKER: The Honourable Opposition House Leader.

MR. G. MERCIER: Thank you, Madam Speaker.

On this matter of House Business, I would ask the Government House Leader whether he intends to call the committee dealing with MTS and MTX on Thursday morning.

HON. J. COWAN: I'd like to meet with the Opposition House Leader and the Member for Pembina following the condition of the motion to move us into Supply and, as soon as the member responsible for MTS can meet and discuss that particular matter, we can make some determination on how to proceed.

MR. G. MERCIER: Madam Speaker, I could advise the Government House Leader there's no need to meet. We would like the committee to meet on Thursday morning.

HON. J. COWAN: I appreciate their encouragement. I hope the Opposition House Leader is not suggesting that we should not meet as we have done in the past and, I think, been able to move business through the House in a very cooperative and, I think, a very efficient manner before we make that final determination. I would suggest that we have that meeting when we have the first opportunity with the Minister responsible for MTS present, and then we can make an announcement tomorrow as to whether or not we will proceed with that Standing Committee on Thursday.

ORDERS OF THE DAY

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: I move, seconded by the Minister responsible for Native Affairs, that Madam Speaker do

now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: I would just indicate, Madam Speaker, that there will be Private Members' Hour this afternoon.

MATTER OF GRIEVANCE

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, I rise on a Matter of Grievance.

Madam Speaker, we are faced with a very, very serious situation which this government has failed to come to grips with.

We have attempted, through all of the legislative process that we have at our disposal within the Rules of the House, to bring this matter to a head so that the government will make the correct and courageous decision on behalf of the people of Manitoba, and call a judicial inquiry into the MTX affair, Madam Speaker. We attempted to do that through an emergency debate today. That failed, because the government used the weight of its numbers to defeat the motion for an emergency debate which, Madam Speaker, you put to a vote of the House.

You, Madam Speaker, were interested in getting to the truth and to the bottom of the MTX affair. Government members opposite want that truth to remain hidden. I say that, Madam Speaker, with no qualification and no qualms whatsoever.

The proposal - and perhaps some background is necessary - we have had serious allegations laid before the committee studying the Annual Report of MTS today. Those allegations include kickbacks, which kickbacks were admitted to today in the course of perusal of the hearing, that our 50-50 venture in Saudi Arabia funded by the taxpayers of Manitoba has paid kickbacks in Saudi Arabia to secure business. We have further allegations of additional kickbacks made to undertake and secure business in Saudi Arabia.

Mr. Deputy Speaker, C. Santos, in the Chair.)

We have serious allegations, Mr. Deputy Speaker, about the accounting procedure used in MTS and MTX. I simply want to quote once again for honourable members opposite, particularly honourable members in the backbench, even though they are thinning out fast, but an allegation made in the sworn affidavit tabled today says, and I quote: "By this time, it became apparent to me that the accounting procedures implemented by Theresa Aysan, who continued to work after the flogging incident, departed significantly from normal accounting procedure and that they did not properly reflect the operations of the joint venture. I do verily believe that MTS was writing MTX equipment losses off against the parent corporation's account. I further do verily believe that MTX's operation expenses as represented to the Legislature . . . " - this Legislature - " . . . have been consistently understated."

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Do members opposite, not only the Treasury Bench members but particularly the backbenchers, are you not interested in determining the truth of those allegations?

Now, Mr. Deputy Speaker, we have a former Minister responsible for the Manitoba Telephone System, the Member for Dauphin, a Minister who was misled by those MTS and MTX officials in 1983, nodding his head, that he wants to get to the truth.

I want to assure you, Mr. Deputy Speaker, that Minister will never see the truth with this kind of a Mickey Mouse inquiry that his colleague, the present Minister responsible for Manitoba Telephone System, has now promised the people of Manitoba.

Mr. Deputy Speaker, criminal allegations, or charges of criminal activity, were made in that affidavit. Those naturally must be investigated by the RCMP but, more serious allegations were made - and I must say to the Member for St. Vital and to the Member for Ellice and others who are in the backbench - that those allegations, if they care to read the record of the Public Utilities Committee, dealing for the last four years with MTX and MTS operations, those concerns have been raised for four consecutive years by myself. Those concerns have been completely ignored and swept under the rug by such Ministers as the Member for Brandon East, such Ministers as the Member for Dauphin, such Ministers as the former Member for Lac du Bonnet and now, currently, the Member for St. James. They took none of my concerns seriously enough to investigate, to interview employees to find out whether all was well with MTX in Saudi Arabia. They chose to hide from the facts, Mr. Deputy Speaker, and with this investigation triggered by the now Minister responsible, they will be able to continue to hide from the facts because facts will not come out from that inquiry.

Let me tell you, Mr. Deputy Speaker, why they won't. This Minister responsible for MTS is suggesting that we undertake an inquiry - I'm sorry, I've got the press release and not his statement in the House today. He says that an independent management consultant company with international expertise will review the operations of MTX in their entirety. Notice, members of the backbench of government, that it is only investigating MTX operations. That is not the problem. The problem is that MTS, as the parent firm, is alleged to have not properly accounted and billed MTX for services performed, that there are further allegations of equipment being sold at below cost for value on dollar to MTX for resale in Saudi Arabia by MTS. All of those allegations are there, but this Minister does not want to know the truth of that, Mr. Deputy Speaker, because he is putting the inquiry, No. 1, to a consultant firm; and, secondly, he's only asking them to look into the MTX operation.

Mr. Deputy Speaker, what is so obscene about that limited inquiry is that those same MTX officials have now misled this Minister on three separate occasions. What expectation does this Minister have that if those employees will misled him, as the Minister responsible, with full disciplinary powers at his disposal, when those MTX employees misled him, the Minister responsible, what assurance do we have that they will not mislead a mere independent management consulting company because, as we established in question period, there will be no requirement of those MTX officials to provide

answers to the management consultant company, under oath, to assure that the truth is told.

Mr. Deputy Speaker, it is only with a judicial inquiry that we will have that testimony taken under oath so that we know we are getting the truth and not misinformation and untruths as we have now had the Minister admit to on three occasions in the last two weeks, that he has been told improper and incorrect and misinformation from senior executives of MTX.

Why is a judicial inquiry important? Why is it important to the people of Manitoba and, more importantly, why is it important to the Manitoba Telephone System? I want to tell you why, Mr. Deputy Speaker.

It is important to the people of the Manitoba Telephone System because it is becoming evident and clear that we have a few bad apples in the MTS, MTX organizations. Those few bad apples are in danger of tainting the whole barrel. Every MTS employee now, without a judicial inquiry, is subject to the suspicions and the allegations that are made about kickbacks, improper accounting, hiding the facts from the public of Manitoba. The vast majority of MTS employees are dedicated to that Telephone System and dedicated to providing solid, cost effective service to the people of Manitoba. They should not be tarnished, as this Minister and this government, this gutless government is allowing them to be tarnished, because he refuses to call a judicial inquiry to take testimony, under oath; but rather refers it to a management consultant firm who has no way whatsoever of ascertaining whether those officials, who have misled the Minister on three occasions, are telling them the truth when they pose questions to those senior executives on the operations of MTX.

The integrity of the Telephone System demands a judicial inquiry for testimony under oath to protect the many solid, good employees in MTS and in MTX. A few bad apples are in danger of spoiling the whole corporate barrel, Mr. Deputy Speaker, and this Minister and this government are aiding and abetting that rot to spread in the Manitoba Telephone System by avoiding and trying to sweep under the rug and cover up the truth by refusing the judicial inquiry. Mr. Deputy Speaker, that is a tremendous disservice to the Manitoba Telephone System.

I want to quote from Page 12 of the sworn affidavit: "If you want any more reason to have a judicial inquiry . . . "This is point No. 28 of 30 points in the sworn affidavit, and it says, and I quote: "To the best of my knowledge and belief, many of my fellow employees at MTS are willing to corroborate many of the matters herein before deposed to, by me, on the understanding that they be granted immunity from dismissal as a result of their so doing."

Employees in the Manitoba Telephone System want to tell the truth and this Minister and this New Democratic Government don't want to listen to the truth. They want to sweep it under a carpet; they want to cover it up with the appointment of an independent management firm, consulting firm, to do an internal investigation. It is a cover up of the most enormous proportions that we have seen in the Province of Manitoba in years and years and years; and Manitoba Telephone System employees do not want it to happen. They want to be able to tell the truth to a judicial inquiry. They want the facts known by the people of Manitoba. They want to have the blemish removed from their

corporation that they've worked for for many years. They want the individuals responsible for that blemish to be removed by this government from employment at the Manitoba Telephone System, because they believe they have serious concerns about some of the individuals that are running the corporation at the present time.

Mr. Deputy Speaker, I have those same concerns, and I simply ask honourable members opposite if they care to take the time to peruse Hansard, peruse Hansard starting in April 1982, after the illegal creation of MTX by the then Minister responsible, who was the Member for Brandon East, I believe. MTX was illegally created. The next Minister responsible for the Manitoba Telephone System, the Member for Dauphin, had to come in, tail between his legs and pass legislation in the 1983 Session to legalize the creation of MTX.

If that wasn't, at that time, Mr. Deputy Speaker, offering to the government, to the Ministers responsible, a tremendous warning signal that something is not right in the creation of this new company, I don't know what else it took; and that corporation, MTX, operated a joint venture in Saudi Arabia illegally, without corporate registration in the country of Saudi Arabia for upwards of eight to ten months, Mr. Deputy Speaker. How can these Ministers sit back and tolerate those kinds of illegal activities that they know have happened and sweep it under a carpet and cover it up by not calling a judicial inquiry?

Mr. Deputy Speaker, I go further to the MTS committee hearings in 1983. In 1983, among other questions posed by myself and by my leader, were questions on the 14th of July 1983, to Mr. Gordon Holland, asking him if there were any finders' fees, or any payments of commission paid to individuals in Saudi Arabia for the purpose of buying business in Saudi Arabia. The answer was, "I have no knowledge of that."

Now having given notice three years ago, the Member for Dauphin, the former Member for Lac du Bonnet, and the current Member for St. James, as Ministers responsible for the Manitoba Telephone System, made no further inquiries. Today, in committee, we had Mr. Provencher tell the committee that yes, he had uncovered a kickback, exactly as we had asked them to investigate for in 1983. Those Ministers attempted to cover it up for the last three years by not investigating the operations of MTX and MTS in Saudi Arabia.

HON. J. PLOHMAN: You stumbled onto it.

MR. D. ORCHARD: Mr. Deputy Speaker, the Minister of Highways says we stumbled onto something. You know I wished that when he was responsible for MTS, he would have stumbled onto it - he had stumbled onto some of the questions that I posed, instead of arguing that I was simply trying to destroy the corporation, and simply engaging in rhetorical debate; I wished he would have stumbled onto some of the answers that are coming out today. Because do you know what, Mr. Deputy Speaker, had that incompetent Minister responsible for MTS, the Member for Dauphin, had he stumbled onto those questions in 1983; \$16 million and many millions more would not be at risk by the people of Manitoba today in Saudi Arabia.

We could have \$16 million spent on exchange improvements in Manitoba, to serve Manitobans better,

but oh no, that incompetent Minister, the Member for Dauphin, swept those allegations under the carpet in 1983, refused to investigate, and as a result, we now have MTX at risk in Saudi Arabia for a loss of upwards of \$16 million, and if the allegations in the sworn affidavit are true and we get a proper accounting of MTS-MTX transactions, we may find many hundreds of thousands of dollars more that have been lost by that corporation in Saudi Arabia, but we won't know, Mr. Deputy Speaker, until we have the sworn testimony of those senior officials at a judicial inquiry, not at some cover-up inquiry as suggested by the current Minister responsible for MTS today.

Mr. Deputy Speaker, I further go through and recommend to various Cabinet Ministers the questions posed to the Manitoba Telephone System in 1983, I go further, to 1984, where on Page 55 to Page 60, June 19, 1984, a series of questions were posed to the corporation as to the operations of MTX. Many of those questions have still not been answered, Mr. Deputy Speaker.

In addition to that, Mr. Deputy Speaker, I refer honourable members to the committee hearings in 1985, which in meeting No. 1, we dealt substantively on Tuesday, the 30th of April 1985, Page 33 and 34, Page 40 and 41, with questions on MTX operations in Saudi Arabia. Again, on June 19, 1984, we spent the entire Hansard of the Day questioning telephone officials on the operations of MTX. The then Minister, I believe - and I will find it - was I believe, Mr. Mackling, the current Minister - no it was Mr. Uskiw, I'm sorry.

Mr. Deputy Speaker, the questions, the concerns about procedure, accountability, corporate structure, were all asked in 1984. The NDP Government did nothing to further find out whether there was any substance to the questions; they did absolutely nothing.

In 1985, we entered into discussions, once again on MTX. We spent considerable time on the 15th of July 1986, on MTX. We spent almost an entire Hansard again on the 7th of May 1985, with the present Minister there, questioning MTX, and what is happening in Saudi Arabia. The Minister chose to do nothing. He chose to sweep it under the table.

We started out at the start of this year's hearings with this Minister responsible, accusing me of grandstanding, accusing me of trying to make allegations that were not substantiated, accusing me of doing a number of things that are now being proved totally false, because that Minister was misinformed and misinformed horribly by the Manitoba Telephone System.

Mr. Deputy Speaker, this Minister now wants to talk from his seat. I want to tell this Minister that on Friday, 10 days ago in this House, basis discussions and allegations on the caning, on Theresa Aysan working at MTX which has never been revealed before, on accounting procedures, on kickbacks, we had discussions with Mr. Ferguson. He told us those areas were happening. We had discussions with him 10 days ago, and Mr. Deputy Speaker, I asked the Minister responsible for MTS on Friday, 10 days ago, if he would allow witnesses to be subpoenaed to the committee, so that they would have immunity in their job at MTS. This Minister laughed and said that won't be necessary.

When Mr. Ferguson could not be subpoenaed and be guaranteed immunity in the committee, his resort

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was to then contact his lawyer, and proceed to develop a sworn affidavit for presentation to the government. That was expected to have been done on Thursday, because this Minister indicated he would have the committee called Thursday of last week. Mr. Holland said the information was all ready, but this Minister ducked his responsibility, refused to call the committee Thursday of last week. That is the only explanation I know of that that affidavit is signed on the 7th, because it was in anticipation of a committee hearing on Thursday of last week. I, and my leader saw that affidavit last night for the first time. That is the . . .

A MEMBER: Oh, come on.

MR. D. ORCHARD: Is the Minister "oh-ing" from his seat for any particular reason? What does that mean? Get up and make an accusation, if you don't believe what I'm saying. You're the person that has been misleading this House and I'm telling you straight facts, and if you hadn't ducked the issue on Thursday, that affidavit would have been tabled on Thursday. But you refused to call the committee on Thursday and the reason you refused to call the committee on Thursday was to cook up some kind of a half-baked investigation that is going to sweep the whole matter under the carpet, cover-up the true facts, and avoid a judicial inquiry. That's why this Minister . . . Mr. Deputy Speaker, you are absolutely correct, if you heard . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.
The Member for Pembina has the floor.

MR. D. ORCHARD: Madam Speaker, the Minister is absolutely correct that 10 days ago those allegations of kickback, those allegations of improper accounting, those allegations of caning, those allegations of improper accounting procedures between MTS and MTX were told to us by Mr. Ferguson, verbally; absolutely they were and that is why I asked to have witnesses subpoenaed to the committee hearing, so that he could give his testimony directly at the hearing, but this Minister didn't want to get to the truth. He wanted to cover it up. That's why it forced Mr. Ferguson to contact his lawyer and draft a subpoena which was ready for last Thursday.

Now, Madam Speaker, this Minister today told us that two or three days ago he was aware of kickbacks in Saudi Arabia, and he did absolutely nothing about it. He tells us that we withheld an affidavit which we did not receive until last night. That is not the truth that the Minister is presenting, that is not the truth. That is not the truth, Madam Speaker, but what is the truth, what is the truth is that this Minister knew of kickbacks, knew of kickbacks two or three days ago, and I submit that the Minister would not have told us about kickbacks had we not dragged that information out at committee today. The kickback would have been hidden, it's a promise.

A MEMBER: He didn't indicate that in committee.

MR. D. ORCHARD: Did the Minister responsible for MTS indicate that he said there were kickbacks in committee today? Is that what he said? Absolutely not.

The Minister sat mute while he knew that information and we had to drag it out of MTX officials; we had to drag it out of MTX officials, the information that this Minister had two to three days ago and did nothing with, hoping that we never ask the questions so the information would be hidden from the people of Manitoba.

Now, Madam Speaker, we have this Minister now attempting to cover up the whole operations of MTX in Saudi Arabia, to hide the truth from the people of Manitoba, to prevent the calling of MTS and MTX senior officials, senior officials from appearing before a judicial inquiry under oath to testify.

MADAM SPEAKER: May I remind the honourable member of Beauchesne's Citation 316(e) which says in debate a Member is not to "impute bad motives or motives different from those acknowledged by a Member."

MR. D. ORCHARD: Madam Speaker, I am simply laying the cold, hard facts as I see them, on the public record. The cold hard facts are, and I will repeat them for those groaning backbenchers over there who are going along with their hands tied, their mouths gagged and their eyes closed and their ears plugged, while this Minister is covering up a serious problem at MTX and MTS. — (Interjection) —

MR. D. ORCHARD: Madam Speaker, the Minister responsible says the RCMP. The RCMP will not investigate the accounting practices between MTS and MTX.

A MEMBER: Of course not.

MR. D. ORCHARD: Of course they won't do that; a judicial inquiry would. And, Madam Speaker, a judicial inquiry would require those same MTX officials that three times have misled this Minister to testify under oath. His Mickey Mouse Inquiry by a private consulting firm will do nothing but sweep the facts under the carpet, deny the truth from the people of Manitoba and allow those officials to tell them whatever they think is convenient, and not necessarily the truth as they have done to him on three successive occasions. There is no obligation on MTX and MTS officials to tell the truth to this Minister's consultant that he will hire. That is true, regrettably those senior officials have demonstrated to this Minister and to this government that they do not provide him with factual information when pressed on an embarrassing issue.

Now, Madam Speaker, why is the Minister, why is the Minister wanting to cover up this issue and provide a complete cover up of the MTX-MTS affair? Why does he not want the truth to be known? Why does he not want a judicial inquiry which would require those people with evidence, with statements to make, to do so under oath. It is only then, it is only then that the people of Manitoba will be served the truth on MTS and MTX.

MADAM SPEAKER: Could we have order please. Order, order please. Order please, order.

The Honourable Member for Pembina may continue.

MR. D. ORCHARD: Thank you, Madam Speaker.

The Minister responsible for MTS is now protesting a great deal. We are questioning his political judgment in this issue; we are questioning whether in fact he understands the seriousness of the allegations, the seriousness of the duplication, the bad accounting, the business transactions between MTS and MTX. If he understand that one iota he would welcome a judicial inquiry which would get to the bottom of it, tell him the truth, tell his Cabinet colleagues the truth and, more importantly, tell the people of Manitoba the truth.

I submit, Madam Speaker, that if we had a judicial inquiry, within two weeks of the report of that judicial inquiry I will make this public prediction: That this Minister would then be winding down the MTX operation in Saudi Arabia, and the MTX operations would seize our industries and all other outside contracts because all of them are going to be found extremely wanting in the analysis, under oath, and a full accounting, under oath, of those transactions. But this Minister seems intent on protecting senior people in MTS and MTX, for whatever reason I don't know, because he's not protecting them to save the taxpayers of Manitoba valuable dollars, because there is considerable hemorrhage and loss in the MTX operation. Much of it is yet to be accounted for and won't be accounted for until we get a judicial inquiry.

So if this Minister was responsible to the taxpayers of Manitoba, he would call a judicial inquiry. But no, Madam Speaker, he is irresponsible. He wishes to cover up those operations, he wishes to hide the truth from the people of Manitoba by calling an inquiry through a private consulting firm which has no teeth, no legal leverage, no ability to ascertain whether the truth is being told. That is a shame, Madam Speaker, that is a travesty of justice, that is a travesty to the people in Manitoba Telephone System. Those good honest citizens in Manitoba Telephone System, who want the truth to come out. This Minister won't let those people in MTS tell the truth. He prefers to have it hidden, swept under the carpet and covered up.

MADAM SPEAKER: Order please. The honourable member is treading very dangerously close to contravening three very important citations. One, I've already referred to; the other is Beausnes's Citation 319(3) "a Member will not be permitted by the Speaker to indulge in any reflections on the House itself as a political institution," and I'll continue, "or to impute to any Member or Members unworthy motives for their action in a particular case." Beausnes's Citation 320(2) says "but no imputation of intentional falsehood is permissible." The honourable member can certainly dispute the facts but he must not impute motives to any member of the Chamber.

MR. D. ORCHARD: Madam Speaker, I simply make the point that if the Minister responsible for the Manitoba Telephone System was interested in the truth behind the MTX-MTS affair he would call a judicial inquiry. He has chosen not to do that. I must conclude personally, Madam Speaker, that he wishes to hide the truth. If that is imputing motives on him, Madam Speaker, I apologize, but that is the reason he will not call a judicial inquiry.

MADAM SPEAKER: Order, order please. Could the Honourable Member for Sturgeon Creek please come to order. Order, order please.

If the Honourable Member for Pembina wishes to continue with his opinion and his remarks without imputing motives to another member of the Chamber he may. I would caution him, however, that he should not attribute motives other than motives that an honourable member has stated in the House to any member.

I remind the member of Beausnes Citation 325, which deals with expressions that a member uses that are offensive to another member.

The Honourable Member for Pembina.

MR. D. ORCHARD: Whilst for the last four years I have been drawing attention to members opposite and to Ministers responsible for MTS the problems that I perceive in the MTX operation in Saudi Arabia, board appointees from the backbench have sat there and have listened to those questions, and as responsible board members obviously have done nothing. Madam Speaker, as government appointees to the board in the last four years to investigate whether MTS and MTX were operating legitimately and honestly.

Madam Speaker, that hardly says that those board appointees from the backbench during the previous government carried out their responsibilities to the board with the kind of intensity that we would want to see to assure that the operations of MTS and MTX did not proceed to the situation today where we have tabled a sworn affidavit by a former employee, alleging numerous transgressions of not only the law but of normal operating practice and good business practice.

Madam Speaker, I ask you, where were those government appointees to the MTS Board over the last five years that I have been in committee raising the concerns to the Minister responsible, with those board appointees to MTS present at those hearings?

Madam Speaker, we have very serious circumstances surrounding the whole MTS-MTX operation. The only possible way that they will be cleared to the satisfaction of the people of Manitoba is with a judicial inquiry, where testimony is taken under oath, where employees from MTS and MTX can be called to the inquiry to give their version of the floggings, of the employment of Theresa Aysan, of the kickbacks, and of all of the numerous allegations that have been made in the affidavit and have been asked of this Minister.

Madam Speaker, the inquiry, as the Minister is structuring it, has no teeth, has no legal requirement for those people in MTS-MTX to tell the truth. They have misled him on three occasions and they, I submit, have no obligation not to mislead his independent consulting firm.

Madam Speaker, why does this Minister and his colleagues in the Treasury Bench, and his colleagues in the backbench not want to get to the truth? Why do they not want to have a judicial inquiry where the truth will be told and the people of Manitoba will understand fully what has happened? More importantly, why do they not want to have a judicial inquiry so that the 99.9 percent of competent, honest, hard-working MTS employees who are currently working in the system will not be tarnished with the blemish of a few bad apples? Those bad apples will tarnish the system without a judicial inquiry; this government and this Minister are allowing that tarnish to spread throughout the system.

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That is wrong. The Minister can resolve it by calling a judicial inquiry. He is irresponsible if he does not call it, Madam Speaker.

Thank you.

MADAM SPEAKER: Is it the wish of the House to call it 4:30? (Agreed)

PRIVATE MEMBERS' BUSINESS

SECOND READING

BILL NO. 48 - THE MANITOBA MUNICIPAL SECRETARY-TREASURERS' ASSOCIATION ACT

MR. D. SCOTT presented Bill No. 48, An Act to amend The Manitoba Municipal Secretary-Treasurers' Association Act; Loi modifiant la Loi intitulée "The Manitoba Municipal Secretary-Treasurers' Association Act," for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Inkster.

MR. D. SCOTT: Thank you, Madam Speaker.

This piece of legislation essentially changes the name of the act from the Manitoba Municipal Secretary-Treasurers' Association, to the Manitoba Municipal Administrators Association Incorporated Act.

The role of the Manitoba municipal administrators has evolved somewhat over the years and they have been offering courses to people who wish to improve their skills as municipal administrators. These courses in past years, upon completion, the members were using, without any kind of official status as far as legislative status, the term CMA, Certified Municipal Administrator, after their name.

The problem arose when a new name change went through a year, a year-and-a-half ago now with the Registered Industrial Accountants changing their name to Certified Management Accountants. That replaced the designation RIA and became a legal designation passed by various Legislatures across the country for Registered Industrial Accountants to use the term CMA, to be known thereafter - they had a choice - they could use the RIA or the CMA designation.

What this act also provides for is the recognition in the act of the courses taken by the municipal officials and people wishing to become municipal officials and move up, I guess, improve their status and qualifications.

It also allows them to use, after their name if they so desire, the initials CMMA, which is Certified Manitoba Municipal Administrator, which is the title that they would achieve upon completion of their courses.

That, in essence, Madam Speaker, is the background of the material behind this legislation. I would encourage the members to support this bill. It's certainly going to calm some of the anxieties, I guess, that members of the municipal administrators found themselves in a few years ago when the act was changed. We said at that time that we would attempt to accommodate them

because we did not want to upset a national designation for the Certified Management Accountants.

This bill provides for that recognition to those people taking the Municipal Administrators course.

Thank you, Madam Speaker.

MR. G. MERCIER: Madam Speaker, we have examined this bill and are prepared to pass it on to committee.

QUESTION put, MOTION carried.

BILL NO. 49 - AN ACT TO INCORPORATE THE PORTAGE DISTRICT GENERAL HOSPITAL FOUNDATION

MR. E. CONNERY presented Bill No. 49, An Act to incorporate The Portage District General Hospital Foundation; Loi constituant en corporation la Fondation de l'Hôpital général du district Portage, for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Portage La Prairie.

MR. E. CONNERY: Thank you, Madam Speaker.

I'm not going to spend a lot of time on the bill; I think it's self-explanatory. I'd just like to read two paragraphs of it and I think that really basically explains the essence: "AND WHEREAS it is deemed desirable to create a corporation to receive donations of property, real or personal, in trust for the charitable purposes for the benefit of the Portage District General Hospital and for the care, benefit and comforts of patients of the hospital and, if considered necessary, to provide responsible trustees to have custody and management of any property so donated;"

And the "Use of income and principal.

"(7(1) The corporation may use the income from the property of the corporation and such part of the principal of the property of the corporation as the board considers proper for the enhancement of health care within the community served by the hospital and for research, education and program development within the health field."

Madam Speaker, I recommend or request that the members support this bill.

QUESTION put, MOTION carried.

ADJOURNED DEBATE ON SECOND READING

BILL NO. 6 - THE FINANCIAL ADMINISTRATION ACT

MADAM SPEAKER: Debate on Second Reading, Public Bill No. 6, standing in the name of the Honourable Minister of Community Services.

Does the Honourable Government House Leader having the bill to stand in his name?

HON. J. COWAN: No, just stand, as indicated on the Order Paper.

MR. G. MERCIER: I'm not willing to let the bill stand.

Thank you, Madam Speaker.

MADAM SPEAKER: Leave has not been granted to have the bill stand. Is it the will of the House to have the bill debated or to be passed?

Seeing no one who is willing to speak on the bill, the question before the House then is Second Reading on Public Bill No. 6.

MADAM SPEAKER: The Honourable Member for Fort Garry.

MR. C. BIRT: Madam Speaker, I've had a chance to review the bill and I would move that this go on to committee.

QUESTION put, MOTION defeated.

QUESTION put, MOTION carried.

MADAM SPEAKER: The Honourable Opposition House leader.

MR. G. MERCIER: On division, Madam Speaker.

MADAM SPEAKER: On division.
The motion is defeated.

**BILL NO. 47 - AN ACT TO PROVIDE
FOR THE ESTABLISHMENT AND
MAINTENANCE
OF A BOYS' AND GIRLS' BAND
IN THE TOWN OF DAUPHIN**

SECOND READING

**BILL NO. 46 - AN ACT RESPECTING
THE INSTITUTE OF CERTIFIED
MANAGEMENT
CONSULTANTS OF MANITOBA**

MR. M. DOLIN presented Bill No. 47, An Act to amend An Act to provide for the establishment and maintenance of a Boys' and Girls' Band in the Town of Dauphin; Loi modifiant la Loi intitulée "An Act to provide for the establishment and maintenance of a Boys' and Girls' Band in the Town of Dauphin," for Second Reading.

MR. M. DOLIN presented Bill No. 46, An Act respecting The Institute of Certified Management Consultants of Manitoba; Loi sur l'Institut manitobain des conseillers en administration agréés, for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Kildonan.

MOTION presented.

MR. M. DOLIN: Thank you, Madam Speaker. I'll make this very quick.

What this bill does is allow the Rural Municipality of Dauphin to appoint somebody to the Board of the Boys' and Girls' Band. They have been paying, and it is taxation allowing for representation with the taxation. So I would urge members to support this bill and send it to the appropriate committee.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Kildonan.

MADAM SPEAKER: The Honourable Member for Fort Garry.

MR. M. DOLIN: Thank you, Madam Speaker.

I would ask members to support this bill. This bill is basically setting up an Institute of Certified Management Consultants and establishing such as a particular profession and detailing the requirements to get the letters after your name certifying as a management consultant. It also sets up the required conditions of registration, classes of membership rights and duties, prescribes the curriculum and courses required to allow this.

MR. C. BIRT: Thank you, Madam Speaker.
I would move that this bill go on to committee.

QUESTION put, MOTION carried.

I think this bill is reasonably important, for the basic premise of the bill is one where people in this society call themselves by various names and claiming to have certain skills and qualifications. At this point in time, anyone can hang up a shingle calling themselves some form of management consultant.

What this organization intends to do and this bill would do is allow people who meet certain requirements and that there be a body to observe the rules and to ensure that people meet these requirements, that there is a body to say who can call themselves a certified management consultant and what courses of study they have done.

MADAM SPEAKER: On the proposed resolution of the Honourable Member for Charleswood . . .
The Opposition House Leader.

MR. G. MERCIER: Madam Speaker, we are finished dealing with bills, could I suggest we call it 5:30?

MADAM SPEAKER: Is it the will of the House to call it 5:30?

The hour being 5:30 then, I will be leaving the Chair with the understanding that the House will reconvene at 8:00 p.m.

So I would ask the members to pass this at Second Reading and send it to the appropriate committee.