

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 23 June, 1987.

Time — 1:30 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 . . .

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MADAM SPEAKER:** The Honourable Minister of Employment Services and Economic Security.

**HON. L. EVANS:** Madam Speaker, I have a ministerial statement.

I am pleased to inform the members of this Assembly that our government will assume responsibility for paying the per diem rates for all women in financial need who use the services of crisis shelters and safe homes.

These per diem rates, which are the daily fees for the services provided by a shelter or safe home, will be paid through my department's Social Allowances Program instead of through the municipal welfare system.

Even though such fees are cost-shared with the province, the present administrative arrangement has resulted in inconsistencies in policies and procedures which we want to resolve. We are taking this action, therefore, to provide a more consistent and streamlined service for women in financial need who require access to crisis intervention facilities.

Women seeking the sanctuary of a crisis shelter or safe home are in a very stressful situation. Our government wants to ensure that Manitoba women and children receive consistent and considerate access to safety and support.

I anticipate that we will have in place the mechanisms necessary for our government to assume responsibility for these per diem fees later this summer, and I believe that this action will result in a better service which will reach more women who require refuge from family violence, and support to carry on with their lives.

I'd like to note that crisis shelters and safe homes in Manitoba receive support for their operations from other Provincial Government departments as well, including Manitoba Housing which, in some cases, provides the physical facilities and the costs of maintaining them, and Manitoba Community Services which provides grants to cover program costs for shelter and safe home clients and per diem fees for women who cannot afford them, even though they are not in need of social assistance.

Lastly, Madam Speaker, I might mention that my department's New Careers Program is currently operating a two-year project to train 19 counsellors in wife abuse services who will provide skilled, specialized care to women and children in shelters and safe homes throughout the province.

Thank you.

**MADAM SPEAKER:** The Honourable Member for Gladstone.

**MRS. C. OLESON:** Thank you, Madam Speaker, and I do thank the Minister for the statement this afternoon.

I think there has been a great deal of difficulty, as I mentioned in my remarks during the Estimates, for municipalities to deal with some of these problems. They have a great deal of difficulty in establishing whether or not the person is in need of help and they do not have the clerical staff who are trained to do so. So this will be a help to the municipal officials and also, of course, more importantly, a help to women who are desperately in need of help and, through no fault of their own, have to seek this kind of assistance. It has been one of the major problems in billing families for this type of thing that, of course, the person who had been abusing usually got the bill and that added to the trauma of the whole situation.

So I thank the Minister for this statement today.

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

### INTRODUCTION OF GUESTS

**MADAM SPEAKER:** Before moving to Oral Questions, may I direct the attention of honourable members to the gallery where we have 10 students from Grades 7-9 from the Selkirk Jr. High School, under the direction of Mrs. Pawlychyn, and the school is located in the constituency of the Honourable First Minister.

We have 20 students from Grades 1-6 from Christ the King School, under the direction of Mrs. Anne Lanthier, and the school is located in the constituency of the Honourable Member for St. Vital.

And we have 30 students from Grades 7, 8, and 9 from the Oakville Jr. High School, under the direction of Miss Rose Hilliker, and the school is located in the constituency of the Honourable Member for Morris.

On behalf of all the members, we welcome you to the Legislature this afternoon.

### ORAL QUESTIONS

#### MPIC - loss awareness of Premier

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker. My question is for the Premier.

On at least three occasions in March I asked the Premier when he was first informed as to the loss of at least \$12 million in reinsurance at MPIC. After questions on the 19th of March, the 23rd of March, and finally on the 24th of March, Madam Speaker, the Premier replied: "The knowledge which I had in 1984-

85 was basically that which is contained in the Annual Report of 1984 where it is indicated to all members of this House, as well as myself, that there was a problem involving the reinsurance business. So in 1984 that was the extent of my knowledge."

Is the Premier indicating that at that time, the fall of '84, or early '85, he was not at any time informed of the loss of at least \$12 million on reinsurance at MPIC?

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

**HON. H. PAWLEY:** Madam Speaker, what I indicated is the fact that at that time the information that was known to me was that which was in the report.

**MR. G. FILMON:** So, Madam Speaker, just to be absolutely clear, he was not at any time, in the fall of 1984, informed of \$12 million or more of reinsurance losses at MPIC?

**HON. H. PAWLEY:** Madam Speaker, I answered that question.

### **MPIC - reinsurance losses - other Ministers knowledgeable**

**MR. G. FILMON:** Well, Madam Speaker, the Premier, I take it is indicating that he did not know about reinsurance losses of at least \$12 million. Madam Speaker, I wonder if the Premier can indicate whether or not, other than the Member for Gimli, the Minister responsible for MPIC, whether any other members of Cabinet were informed at that time of the major losses of at least \$12 million in reinsurance at MPIC.

**HON. H. PAWLEY:** I don't know how the Leader of the Opposition would assume that I would know. The Leader of the Opposition should direct that question to the Minister responsible for the Public Insurance Corporation.

**MR. G. FILMON:** Madam Speaker, I wonder then if I could ask the Minister responsible for MPIC whether or not, in the fall of 1984, or early 1985, when this Minister was very much aware of at least \$12 million of losses in the reinsurance division of MPIC, whether he informed any of his Cabinet colleagues about this serious and major loss.

**MADAM SPEAKER:** The Honourable Minister responsible for MPIC.

**HON. J. BUCKLASCHUK:** Yes, thank you, Madam Speaker.

As the member, if he has read the Provincial Auditor's Report, will note, there was a discussion with the Minister of Crown Investments in the latter part of October, at which time I discussed the issue from an accounting point of view.

**MR. G. FILMON:** So the Member for Rossmere, the Minister responsible for Crown Investments, at that time the Minister of Finance, was also aware of the major loss at that time.

### **MPIC - ERIC committee informed of losses**

**MR. G. FILMON:** I wonder if the Minister could indicate whether members of the ERIC committee of Cabinet were informed of these major losses in reinsurance at that time, either in late 1984 or early 1985.

**MADAM SPEAKER:** May I remind the honourable member that questions should not seek information about matters which are in their nature secret, such as, decisions or proceedings of Cabinet. And we've talked many times about that, including Cabinet subcommittees.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, I'm not asking about decisions at Committee of Cabinet, or Cabinet. I'm asking whether members of the ERIC Committee of Cabinet were informed of a very serious situation, Madam Speaker, the loss of more than \$12 million in the reinsurance division of MPIC.

**MADAM SPEAKER:** Was the Honourable Leader of the Opposition rephrasing a question or was he questioning my decision?

Could the honourable member make clear that he's not seeking information about a subcommittee meeting of Cabinet?

**MR. G. FILMON:** Yes, Madam Speaker, that is clear.

**MADAM SPEAKER:** The Honourable Minister of MPIC.

**HON. J. BUCKLASCHUK:** Thank you, Madam Speaker.

Again I restate the statement I made a minute ago, that I had a discussion with the Minister of Crown Investments with respect to a question of accounting. The Member for Tuxedo, the Leader of the Opposition, continually keeps harping away about massive losses.

When one who looks at the corporation, realizes that we're dealing with budgets of \$300 million to \$400 million a year, a \$12 million loss that was calculated at that time, which management felt could be resolved over a matter of four or five years, was not such a serious matter that would have to be brought to the attention of Cabinet, or ERIC, or whoever else.

**MR. G. FILMON:** Well, Madam Speaker, the Minister has indicated that \$12 million was not a massive loss and not a major concern. He has indicated that. Yet, Madam Speaker . . .

**MADAM SPEAKER:** Does the honourable member have a question?

**MR. G. FILMON:** . . . when the losses reached 30 . . . I think that that's irresponsible.

But, Madam Speaker, how is it that the Minister then decided that \$36 million was a massive loss, was a major item and had to be reported publicly earlier this year?

**HON. J. BUCKLASCHUK:** If we want to get into this, I would suggest that we do have a committee hearing

coming up this coming Thursday, we can deal with the figures at that time. I can say at this time that when the potential claims were calculated in 1984, there were considerable revenues that were going to accrue to the corporation, resulting from those treaties over the next two or three years.

In 1986, when after many months of work by the reinsurance manager and staff at MPIC, a determination was made that the future claims would be much larger than it was ever anticipated, and the fact that there would be no offsetting premiums with respect to those treaties, then the decision was to display that figure in the 1986 report, as was tabled in this House in the early part of March.

**MR. G. FILMON:** Madam Speaker, then \$12 million isn't a major loss but \$36 million is. That's what the Minister is indicating.

### **MPIC - reinsurance losses - other Ministers knowledgeable**

**MR. G. FILMON:** Well, Madam Speaker, my question to the Premier is: His reluctance to ask for this Minister's resignation - this Minister who has presided over an elaborate scheme to keep from public attention at least \$12 million of reinsurance losses that ultimately grew to \$36 million of reinsurance losses; this Minister who has indicated that he did not solicit the options that were presented to him by the chairman of MPIC, and also the president of MPIC, a statement that has been denied by both those people - in the face of all this, this Premier's reluctance to take any action to remove this Minister from office, is it because the Cabinet members themselves, many of them knew about these losses and were, in fact, a party to the decision that took place to keep this information from public view?

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

**HON. H. PAWLEY:** Madam Speaker, if the Leader of the Opposition would inform us as to what decision he's referring to - maybe he should be a little bit more clear in what he's specifically referring to.

### **MPIC - loss not included in financial statements**

**MR. G. FILMON:** The decision, Madam Speaker, to keep from public attention the loss of at least \$12 million, and probably closer to \$24 million, according to the document that was tabled in committee, that was not revealed publicly as a result of a decision made by the Minister responsible, the Member for Gimli, that it not be included in the financial statements of the corporation in '84, '85 and '86.

**MADAM SPEAKER:** The Honourable Minister of MPIC.

**HON. J. BUCKLASCHUK:** Madam Speaker, the Leader of the Opposition continually tries to bemuddle and befuddle what the issues are. In fact, if the Leader of the Opposition read the statements that were provided

to him in committee carefully, he would note that, in fact, there were \$14 million of Tory-initiated losses declared in the 1984 report. Read the report.

Madam Speaker, day after day, we are being confronted with innuendo, allegations of coverup. The Auditor's statement makes no reference to a coverup whatsoever. This is the type of innuendo that I'm referring to. I can start off incident after incident when these kind of allegations are being made up.

For instance, I recall that when the offer was made to the Leader of the Opposition to have full and complete access to the board minutes of MPIC, and I quote from the Winnipeg Free Press: "Someone is trying to eliminate, edit or censor information from those board minutes - an allegation that somehow or other senior management or the board of directors is involved in a cover-up, and that has been disputed."

Incidentally, for the interests of members in this House and for Manitobans, the offer to the Opposition to have full access to the board minutes - and that offer was also extended to the Leader of the Liberal Party - neither one, neither party has accepted this invitation to review the board minutes to find out whether or not this Minister is telling the truth.

**MR. G. FILMON:** Madam Speaker, the Minister is questioning where I get the notion that he concocted and, in fact, approved an elaborate scheme to hide from public attention at least \$12 million of losses.

Madam Speaker, I'll quote from the Auditor's Report: "The Minister then requested options be developed as to how this matter could be handled." Further, "He," referring to the Minister, "selected Option 1, not to set up the \$12.3 million additional IBNR. Further there is no documentation to suggest that the chairperson, the president, or MPIC's management agreed or disagreed with a decision made by the Minister."

That decision was to cover up \$12 million of losses. Does the Minister now deny that?

**HON. J. BUCKLASCHUK:** Madam Speaker, the Leader of the Opposition is at it again. Nowhere in the Auditor's Report is there any confirmation or documentation that there was a cover-up. I have clearly said in committee that I had expressed a preference, and that is a preference that resulted in the 1984 report being what it was.

Madam Speaker, this is a continuation of the type of innuendo that has come from that side of the House since this issue was first made public. I just want to give another example, the type of innuendo. I recall, so clearly when I found that my 1984 ministerial material had been accidentally destroyed - there's the Leader of the Opposition laughing - do you know what he said in the Free Press? After the Provincial Archivist appeared in the press conference with me, clearly indicating that it was an accident, that I had no knowledge of it, that has been confirmed by the Provincial Auditor's Report, and what did the Leader of the Opposition say? "If you believe that, I've got a bridge I can sell you." I would suggest you owe an apology to the Provincial Archivist and his staff . . .

**A MEMBER:** Now.

**HON. J. BUCKLASCHUK:** . . . now, because the Provincial Auditor's Report clearly states that neither

I, nor my colleague, nor anyone else, had anything to do with the intentional shredding of that material.

**MR. G. FILMON:** Madam Speaker, conveniently, due to this gross coincidence, we can't prove or disprove anything, nor can the Auditor that . . .

**MADAM SPEAKER:** Does the honourable member have a question?

**MR. G. FILMON:** . . . any involvement that this Minister had in the shredding of those documents.

### **MPIC - access to senior staff at next meeting**

**MR. G. FILMON:** Madam Speaker, my further question to the First Minister, given that we're not getting answers and we can't get the answers because of the shredded documents: Will he ensure, because at previous committee meetings we have only had the Minister responsible and the general manager available for questions, will he ensure that we have access to senior staff of the corporation at the next committee meeting of MPIC?

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

**HON. H. PAWLEY:** Madam Speaker, the Leader of the Opposition knows that the decisions of that nature are made by the committee.

**MR. G. FILMON:** Madam Speaker, will this Premier ensure that not only do we have the opportunity to ask questions, as we do for all the other Public Utilities, have opportunity to ask questions of senior staff at MPIC on Thursday, and I talk about Mr. Drebnenky, Mr. Galenzoski, Mr. Dycck, Mr. Dabo . . .

**MADAM SPEAKER:** Does the honourable member have a question?

**MR. G. FILMON:** . . . will this Premier ensure that his members on the committee will, in the interests of openness, make sure that those people are available to answer questions at committee?

**HON. H. PAWLEY:** Madam Speaker, I'm aware of no precedent by which there's ever been any dictation to members of a committee in this respect and my answer remains the same. Decisions of this nature are those that are made by the committee membership. I do not intend to dictate to the committee the rules which they will follow.

**MR. G. FILMON:** Madam Speaker, will he assure that his Ministers will not prevent those people from answering questions; that his members on the committee will not prevent them?

### **Inter-City Gas - confirmation of purchase price**

**MADAM SPEAKER:** The Honourable Member for Lakeside.

**MR. H. ENNS:** A question to the Minister of Energy and Mines, Madam Speaker.

Recently at a conference of the natural gas producers, his Deputy Minister, Mr. Gunton, is quoted as having revealed publicly for the first time, as I understand it, the purchase price for the acquisition of Inter-City Gas and its distribution system. The figures mentioned are \$87 million of assumed debt and in the range of \$100 million for the actual acquisition.

Can the Minister confirm those figures?

**MADAM SPEAKER:** The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** Yes, Madam Speaker, I certainly can't confirm that. My Assistant Deputy Minister is quoted as saying a number of things in that article, but I have not had a chance to talk to him directly. He was at a conference where the Federal Energy Minister was, as well, but that certainly is not a correct statement as quoted in the Winnipeg Free Press.

**MR. H. ENNS:** Madam Speaker, just for clarification on the figures.

As I understand, the Deputy Minister indicated the province would assume a total outlay of some \$187 million - \$87 in assumed debt, \$100 million in purchases.

Is the Minister telling me that those figures are not correct?

**HON. W. PARASIUK:** Madam Speaker, those figures are not the correct figures, in total, and they are not authorized. We are still in negotiation and Madam Speaker, I've learned that I never take for granted anything that appears in the Winnipeg Free Press that would comment on it. I mean this whole province has been led astray time and time again by the Winnipeg Free Press quoting sources that aren't there and doing a number of unprofessional things that I would hate to take time in this Legislature debating on whether in fact the Free Press said something truthful for a change, or not.

### **NutraSweet - patent extended for 5 years**

**MADAM SPEAKER:** The Honourable Member for Kildonan.

**MR. M. DOLIN:** Thank you, Madam Speaker. My question is to the Minister of Industry, Trade and Technology.

It is my understanding that the patent drug, NutraSweet, which is, under aspartame, used widely, where the patent has been extended arbitrarily for five years, which will have some effect, I think, on diabetics particularly who use this drug, I am wondering if the Minister could advise: Has this been looked into and what is his department doing about it?

**MADAM SPEAKER:** The Honourable Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** Madam Speaker, as I understand it, the Parliament of Canada has extended the patent protection for the drug aspartame to

NutraSweet for an extra five years to a total of 22 years. Apparently, without consultation with the diabetics, the Diabetics Association, without any consultation with soft drink manufacturers or all those who use the product, and the product today, Madam Speaker, costs in the range of \$200 U.S. per kilogram which is a very expensive item, especially for those who need it.

I have asked my department to determine what the impact will be in terms of Manitoba Food Processing Manufacturing and in terms of what would have been the case had the patent, which we expected was to expire in July of 1987, have been allowed to expire then. I'll get back to the member with further information when the department gets back to me.

### **NutraSweet - cost to individual**

**MR. M. DOLIN:** I thank the Minister for that answer.

As a supplementary, I'm wondering if the Minister could also take a look at what will be the effect on those people who medically require a sugar substitute, such as aspartame, what their individual costs - aside from what the departmental costs - will be.

**HON. V. SCHROEDER:** Yes, I'll take that question as notice as well.

### **Inter-City Gas - what Loan Authority for borrowing**

**MADAM SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNES:** Thank you very much, Madam Speaker. I direct my question to the Minister of Finance, using as the same source the newspaper article quoting the Assistant Deputy Minister of Energy.

Madam Speaker, my question to the Minister of Finance - regardless of whether the sale price is \$187 million or not, or as to whether Mr. Gunton was accurately quoted or not, it would seem to me, Madam Speaker, that the press could not make a misrepresentation as to whether or not a significant portion of this money has already been raised by way of borrowing in foreign markets - my direct question to the Minister of Finance: Under what Loan Authority has this money been borrowed?

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

**HON. E. KOSTYRA:** Thank you, Madam Speaker.

In response to the member's question in suggesting that kind of error could not be possible, I would just suggest to him that anything is possible with the Winnipeg Free Press.

The comments that are reported are either incorrect or the source of those comments is incorrect. I do know from previous experience that that particular reporter has, on a number of occasions, made errors with respect to financial matters.

There is no Loan Authority in place at the present time for the government to expend for Capital purposes with respect to the purchase of ICG. Any such authority

would have to be contained in The Loan Act, which at some point during the Session will be before this Assembly for review. If not, then it would have to be dealt with subsequently with whatever authorities would exist outside of a Legislative Session.

**MR. C. MANNES:** Madam Speaker, a further question to the Minister of Finance, because given - again in this article - the interest rate of 9.5 percent is quoted, again the question to the Minister: Has Loan Authority been used, or is there in place, to provide for this type of borrowing?

**HON. E. KOSTYRA:** The question is repetitious and I'll repeat the same answer. No, there is no Loan Authority in place. Any such Loan Authority would have to be contained in the bill that will be before this legislative Session at some time in the near future if we are still sitting at that time. If not, then there would have to be other provisions made for any such authority; but I would suggest to the member, again, the answer is no, there is no such authority; no, there is no money borrowed for those purposes at the present time.

### **ADM of Finance - request for resignation**

**MR. C. MANNES:** A final supplementary, Madam Speaker, though to be directed to the Minister of Energy and Mines.

Taking into account the severity, Madam Speaker, of his Assistant Deputy Minister making some types of statements in the press, will the Minister either censure his Assistant Deputy Minister or, indeed, would he even go further and ask for his resignation?

**MADAM SPEAKER:** The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** Madam Speaker, I find the witch hunting of the Conservative Party on this rather surprising.

One of the people who was involved in the department, who appeared before the Public Utilities Board, who provided testimony which indicated that consumers in Manitoba were being ripped off to the tune of \$50 million - \$150 per family, \$1,600 for small business - and the Conservatives are now saying that people who fight for Manitoba like that should be fired because of supposed quotes in the Winnipeg Free Press.

Which side are they on? Are they on the side of the consumers of Manitoba or, Madam Speaker, are they trying to undercut anything that might be done of a positive nature to save money on behalf of consumers in this province?

I asked the question over and over again: Which side are the Conservatives on, on this issue?

### **St. Hilaire family - removal of names**

**MADAM SPEAKER:** The Honourable Member for Rhineland.

**MR. A. BROWN:** Thank you, Madam Speaker. My question is to the Minister of Community Services and it's regarding the court case which was just concluded with the St. Hilaire family.

Can the Minister say why she made the St. Hilaire family, who had been trying to get their children's names removed from the Child Abuse Registry, why did she make this family spend \$20,000, as reported by Mrs. St. Hilaire, on a court case, when the Minister had the children's names removed from the registry five days before the case was to be heard?

**MADAM SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Madam Speaker, the Abuse Registry had no provision for appeal, and that was a point we drew the attention of all to in the report presented last December. As we came close to that court case, we had the recommendations for changes in the regulations to permit appeal.

We consulted lawyers, yet again, how to handle that particular case with the full knowledge that we were going to recommend an appeal process and they said to us that they thought we did have the right to remove their names at that point.

#### **Child Abuse Registry - check for names**

**MR. A. BROWN:** My question is to the same Minister.

Will persons now be able to check to find out if their names are on the Child Abuse Registry?

**HON. M. SMITH:** Madam Speaker, with the court case the status of the registry is very much in question. We intend to take action to restore the registry and to ensure that all the concerns of appeal, notification, expungement and access, and notification will be clarified and we will be able to make that announcement very shortly, Madam Speaker.

#### **Child Abuse Registry - appeal procedure**

**MR. A. BROWN:** My question is to the same Minister.

Will the Minister immediately set up an appeal procedure so that persons whose names appear on the registry do not have only the courts as a method of appeal?

**HON. M. SMITH:** Madam Speaker, I have already indicated our will to develop an appeal procedure. In fact, that was what the report that was tabled in December '86 recommended.

We've been going through a public consultation on all the recommendations of that report and will very shortly be making recommendations as to how to accommodate those concerns.

#### **Child Abuse Registry - legislation re appeal procedure**

**MR. A. BROWN:** Madam Speaker, my final supplementary.

Will the Minister bring forward legislation during this Session so that we can deal with this situation?

**HON. M. SMITH:** That is under very active consideration, Madam Speaker.

#### **Government losses - political decisions that keep knowledge from public**

**MADAM SPEAKER:** The Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. My question is to the Premier.

Madam Speaker, yesterday I asked the First Minister if it was government policy that Ministers are to make political decisions which keep our citizens from knowing about losses within their departments, and the Premier replied, "That certainly is not the case here."

How then does the First Minister explain the Auditor's Report and the following quotes: (1) "That it was not an appropriate time to record the losses," and that he, "selected Option 1 not to set up a \$12.3 million additional IBNR.?"

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

**HON. H. PAWLEY:** Madam Speaker, I'm really surprised at the nature of the question. I was more surprised at the comments from the Member for River Heights outside this Chamber last night in the corridor, which I thought were very, very disappointing coming from the Member for River Heights, besides being completely and totally without any validity, and I need not further emphasize that, Madam Speaker.

Madam Speaker, the Auditor's Report, at no time, indicates that there was any attempt to conceal or to hide information and attempts, on the part of the leader of the Liberal Party, the Member for River Heights, to continue to persist on that just doesn't bear any weight.

**MRS. S. CARSTAIRS:** Madam Speaker, with a supplementary question to the same First Minister.

Madam Speaker, the Twentieth Century Chambers Dictionary refers to cover-up as meaning "withholding information," and by refusing to report these losses, indeed information has been withheld.

In the light of that definition, does the Premier believe this to be acceptable behaviour, and is it a policy of his government to accept it as behaviour?

**MADAM SPEAKER:** The last part of the question is in order; the first part isn't.

The Honourable First Minister.

**HON. H. PAWLEY:** Madam Speaker, I'm surprised that this question would come from the Member for River Heights, one who had an opportunity four months ago to go over to the Manitoba Public Insurance Corporation to examine the minutes of the Manitoba Public Insurance Corporation, was in fact encouraged, along with the Leader of the Opposition to do so, and preferred not to, but to make unfounded and unfair and unsubstantiated and disgusting comments outside this Chamber yesterday in the corridor.

**MRS. S. CARSTAIRS:** A final supplementary question. Bad word, Mr. Minister. Madam Speaker, we have - (Interjection)- Madam Speaker, a final supplementary to the First Minister.

The Premier has referred to this whole incident as a small matter. Does the Minister truly believe that \$12.3

million is a small matter to Manitobans; and is it acceptable government policy that it be referred to as a small matter by the First Minister of this province?

**MADAM SPEAKER:** That question seeks an opinion.

**MRS. S. CARSTAIRS:** I asked if it was policy.

#### **Government losses - small matter**

**MADAM SPEAKER:** Would the honourable member like to rephrase her question so it doesn't seek an opinion?

**MRS. S. CARSTAIRS:** Yes, Madam Speaker.

Is it policy of this government to refer to a loss of \$12.3 million as a small matter?

**HON. H. PAWLEY:** Madam Speaker, what is not a small matter is a 20 percent increase, the gouging by millions of dollars by the insurance industry in "liberal" Ontario. That is not a small matter and the Member for River Heights probably should convey some information to the Leader of her Liberal Party in Ontario, as to the best way to provide automobile insurance.

#### **Cancer treatment - two-tiered**

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

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

The Honourable Member for River East has the floor.

**MRS. B. MITCHELSON:** Thank you, Madam Speaker. My question is to the Minister of Health.

Is it the policy of this government and this Minister to establish a two-tiered system for cancer treatment, where those who can afford to pay travel costs for accommodation and travel can travel out of province, and the poor stay at home and wait and possibly die?

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

**HON. L. DESJARDINS:** Madam Speaker, I answered that question yesterday.

Certainly it's not the policy; in fact, the policy hasn't changed from the time my honourable friends were in power. The honourable member knows very well that in certain conditions there has been some reference from doctors here in Manitoba to other areas, and it has been covered at certain times. This is under review to make sure that there's no abuse and the transportation has not been paid. There is no change of policy -(Interjection)- what can't you get?

Madam Speaker, I'd like to give a little bit of other information also to my honourable friend. I can tell my honourable friend that the budget of the Foundation has been from \$3.7 million in 1980-81 when we took over, to \$7.1 million, or 92 percent increase since 1980-81. So, I think, that to say we have not done the work and so on, and not provided service is absolutely wrong.

**MRS. B. MITCHELSON:** Madam Speaker, maybe the Minister should be looking at changing his policy to provide the same service for the poor as for the rich.

#### **Capital sinking fund for radiotherapy replacement**

**MRS. B. MITCHELSON:** My second question, Madam Speaker, to the same Minister.

Is there a capital sinking fund in place for replacement of radiotherapy equipment once it is outdated and, if not, why?

**HON. L. DESJARDINS:** Madam Speaker, this is ironic that the two-tier system should be brought in by a Conservative party, who certainly have not wanted the program the way we have it now, who have suggested utilization fees and deterrents.- (Interjection)- Yes, yes, that's what you've done. Look at any other Conservative Government in Manitoba, they would like to go back to what it was before. Look at your friends in the United States, south of us, where there are 37 million people who have no insurance and no coverage at all. It takes a lot of nerve to talk about that, with the increase that we brought in for the service on health, and now my honourable friend, who on one instance is telling is about the deficit we have, who are telling us we are spending too much money and, all of a sudden, now they want more.

Well, I can tell you, Madam Speaker, that we have a good policy, that we're doing everything we can to serve the public. We have defended a universal program; we have removed the premiums. It's an awful lot more accessible than you would have, and so on.

And, Madam Speaker, fine, they're the same people also, when we were talking about the Federal Government not living up to their commitment, . . .

**MADAM SPEAKER:** Order please, order please.

**HON. L. DESJARDINS:** . . . they were suggesting that we were crying the blues too much.

**MRS. B. MITCHELSON:** Madam Speaker, with that tirade the Minister did not answer my question; so obviously the answer is no, there is no provision in place, no capital sinking fund.

#### **Cancer Foundation - replacements to board**

**MADAM SPEAKER:** Does the honourable member have a question?

**MRS. B. MITCHELSON:** Yes, my final question to the Minister is: Can the Minister indicate why seven of the board members of the Cancer Foundation were replaced all at the same time, with no explanation; and could he table the qualifications for those new members appointed to the board?

**HON. L. DESJARDINS:** Madam Speaker, people are named to different boards for a number of years. There is nothing in there that says that they have to be reappointed forever and a day. In fact, in most instances, so there would be new blood, there is prohibition from people serving more than so many years in a row. Now, this is a fact that on this board that has been mentioned,

some of the people had been there for 13, 15 years and there was a change. There was a change to try to get new blood in it and they are extremely well qualified. We've had chairmen, like Dr. MacDiarmid, who I think has the respect of all people in the medical profession and people who are providing services.

Now, fine, there has been a time that some of them were, and that explains why we're in this situation, because the people had probably been there that long, and when there was an effort to replace and get new blood in there that, all of a sudden, there has been criticism from the people who had been there forever and a day. Madam Speaker, it is very clear that we do not want to keep the people there forever and a day. Now there are certain things that I wanted to do, clean our own dirty linen in the department, Madam Speaker, but maybe I should mention - you don't want the answer.

**MADAM SPEAKER:** The time for Oral Questions has expired.

### INTRODUCTION OF GUESTS

**MADAM SPEAKER:** I would like to inform the honourable members that during question period we had 25 students from Grade 5 from the Notre Dame Elementary School under the direction of Solange Balcaen. The school is located in the constituency of the Honourable Member for Turtle Mountain.

Unfortunately, they weren't able to stay for the whole question period, but I do want to welcome them to the Legislature.

The Honourable Minister of Culture, Heritage and Recreation.

**HON. J. WASYLICIA-LEIS:** Thank you, Madam Speaker.

I seek leave to make a non-political statement.

**MADAM SPEAKER:** Does the Honourable Minister have leave?

The Honourable Minister does not have leave.

### HANSARD CORRECTION

**MADAM SPEAKER:** The Honourable Member for Portage la Prairie.

**MR. E. CONNERY:** Madam Speaker, I'd like to make a correction to Hansard. There's a very horrendously big error made that says on page 2904, "If I had my way, Mr. Chairman, I would immediately hire the Minister from her job . . ." - meaning the Minister of Business Development. The word was clearly "fired," Madam Speaker.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** I do presume that was a typographical error.

Are we ready to proceed with Orders of the Day?

### ORDERS OF THE DAY HOUSE BUSINESS

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

**HON. J. COWAN:** Madam Speaker, it's my understanding that there's an inclination on the part of members to proceed with Private Members' Hour today.

In the interim, would you please call Bill No. 61?

### ADJOURNED DEBATE ON SECOND READING

#### BILL NO. 61 - THE LABOUR RELATIONS ACT

**MADAM SPEAKER:** On the Debate on Second Reading on the proposed motion of the Honourable Minister of Labour, standing in the name of the Honourable Member for Turtle Mountain.

The Honourable Member for Turtle Mountain.

**MR. D. ROCAN:** Thank you, Madam Speaker.

Madam Speaker, before I start on Bill No. 61, I would just like to congratulate one Jocelyn Grenier who was the winner of the Third Annual Cooperative in Our Community Essay Contest. Jocelyn is a constituent of mine and I am very proud of the fact . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

Would the honourable members please come to order?

The Honourable Member for Kildonan on a point of order.

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

The point of order is that my understanding is corrections or remarks be relevant to the bill and, as a matter of fact, he was making -(Interjection)- If I may continue with the point of order?

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

**MR. M. DOLIN:** Madam Speaker, the Deputy Speaker in the Chair the other day made a similar ruling.

I would suggest, Madam Speaker, that the member be advised by the Chair to keep his remarks in order with Bill 61.

**MADAM SPEAKER:** Order please.

Debate on Second Reading, Bill 61, the Honourable Member for Turtle Mountain.

**MR. D. ROCAN:** Madam Speaker, Bill 61, as I understand it, is a final offer selection and, Madam Speaker, as far as I'm concerned, this is a bill that puts down freedom of speech. Madam Speaker, the Member for Kildonan, as far as I'm concerned, is trying to put me down. You talk about putting down freedom of speech!

Why is this legislation needed, Madam Speaker? The late Mary Beth Dolin, when she was Labour Minister,



she removed this type of legislation from the Order Paper because she knew or she could foresee that labour and management did not want this type of legislation, and she was right; neither labour or management want this legislation. CUPE does not want this legislation and, Madam Speaker, there are numerous others - the Manitoba Association of Health Care Professionals, the Winnipeg Labour Council.

However, what do we see in today's media, Madam Speaker? We see the heavy hand of the CLC coming into this province and telling its regional council to shut up and not to speak on this piece of legislation. These people, Madam Speaker, who protect against regimes such as a Nicaragua, Guatemala, Costa Rica, because these countries deny freedom of speech, are themselves denying freedom of speech to their own membership and that is hypocritical and shameful.

This Minister is truly incompetent if he believes that you can ram this type of legislation down the throats of both the union and the labour leadership in this province and have them accept it.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

The Honourable Member for Turtle Mountain has the floor. If other honourable members want to have private conversations, could they do so elsewhere, please?

**A MEMBER:** Thank you, Madam Speaker.

**MADAM SPEAKER:** You're welcome.

**MR. D. ROCAN:** Thank you, Madam Speaker.

Madam Speaker, that isn't democracy; that is dictatorship. What does this Minister owe to Bernie Christophe, Madam Speaker? What does this Minister owe to Shirley Carr? Madam Speaker, I have some idea why this Minister is in such a hurry to have this bill rammed through this Legislature. He wants this legislation passed in order to solve the Westfair Foods strike which is presently under way.

Then this will allow him to go strutting through the province and say look what I did, look what a good Minister of Labour I am. But, Madam Speaker, people in Manitoba are not that naive for they'll see through this Minister as the true failure that he really is. They remember this Minister losing for them, on their behalf, \$27.6 million in MTX. They remember this Minister not helping a young girl who is facing a multi-million dollar lawsuit by her union. He would not intervene to help her even though she was being denied some basic freedoms like freedom of speech and freedom of association, one of the major planks within the NDP philosophy.

Madam Speaker, it was just like when I was intimidated by one of these union bullies, a fellow by the name of Murphy. Some of my constituents asked me over one day for coffee, Madam Speaker, and they wanted to know a little bit more about what was happening in the R.M. I went, Madam Speaker, and I talked to them. At no time did we ever discuss the word union and yet these union organizers, they're trying to intimidate me. I will not put up with that, Madam Speaker, I will not.

**A MEMBER:** You shouldn't have to either.

**MR. D. ROCAN:** No, and I won't.

Madam Speaker, the people in the constituency of St. James will remember this Minister come the next election and, once again, they'll throw him out on his ear like they did in 1973. After four years of him being Attorney-General, they saw the disasters that he created in that department and the people of St. James will once again return to this Legislature a fair-minded and caring P.C. MLA, one who cares for his or her province, one who cares for his or her constituency, and one who wants to stand up for the ordinary citizens' rights and freedoms.

Free collective bargaining is a process of negotiation and compromise. It is a practice to which this NDP Government has long claimed commitment. In view of this, Madam Speaker, it is the height of irony that the Minister now puts forward legislation which will be the death knell of the practice of free collective bargaining in this province.

Almost daily, unions of Manitoba come forward to voice their opposition to Bill 61. Their opposition is founded on the belief that the labour relations climate in this province will become utterly hostile and that no side will benefit from final offer selection. Surely, when both labour and management come out in opposition to a bill, the government must realize its mistake.

Madam Speaker, healthy compromise is the key to allowing any relationship to continue and strive. Give and take must play a major role in labour negotiations in order for both sides to leave the bargaining table with a feeling of having gained something in the process. However, under the terms of Bill 61, the vital nature of compromise is wholly abandoned in favour of a selector who may be appointed by the Labour Board, and therefore by the government, having to choose between either the entire final offer of the union or that of management - no compromise. This will obviously produce a sense of ultimate victory in one party and total failure in the other. Such feelings will not be forgotten overnight. Bitterness and negativism will grow. Fairness is completely forgotten in this legislation.

Impartiality of the arbitrator is another vital concern. The possible appointment of an arbitrator by the Labour Board is tantamount to a state control over the free collective bargaining process. A lack of bias in a mediator is crucial to the peaceful resolution of labour-management disputes. Should the individual in question be biased, then the process becomes a sham and no one benefits.

Not only will this legislation promote an antagonistic labour relations climate in Manitoba, Madam Speaker, it will encourage strike action while discouraging ongoing productive dialogue between management and labour. Unions may not be so eager to bargain if they can exercise their right to strike, safe in the knowledge that within 60 days the dispute can be referred to the appointment selector who will render a decision and end the strike.

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

Mr. Deputy Speaker, the process of free collective bargaining is just that free. Let the government stand up for the freedom of collective bargaining and let it withdraw this piece of legislation.

Thank you, Mr. Deputy Speaker.

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

**MR. G. MERCIER:** Thank you, Mr. Deputy Speaker.

I wish to add some brief comments with respect to this bill, Mr. Deputy Speaker, and I think mainly in two areas. The first would be in the area of the operation and the activities of the labour management committee, because we see once again with respect to this bill, Mr. Deputy Speaker, that the role of the labour management committee has been overlooked and ignored. That's not the first time, Mr. Deputy Speaker, that we have seen this happen.

We saw that happen with respect to significant labour legislation in the first term of this government and we've seen it again. I think it's extremely unfortunate, Mr. Deputy Speaker, because what it ultimately means is the demise of that particular committee. That committee can play no useful role in the formulation of trying to arrive at a consensus on labour legislation in this province, Mr. Deputy Speaker, when it has once again been ignored by this government.

This government having done that, not just on this one occasion, but on the previous occasions, it is difficult for me to see in the future any future government allowing that committee to play a significant role in developing a consensus on labour legislation in this province. I think that's extremely unfortunate - particularly when we have heard from one of the members of the committee who resigned that the management section of the labour management committee had prepared a position paper, had provided it to the employee representatives on that committee, and were waiting for a response so that they were obviously working to attempt to develop a consensus on this final offer selection legislation which they were not allowed to do, and they were ignored by the government.

I think this legislation marks the demise of that committee and with this particular government in government, we cannot look forward to continuation of obtaining anything positive or useful from that committee.

Mr. Deputy Speaker, members on this side of the House have spoken about a number of aspects of this bill. I do, without getting into them, want to indicate that I share the concerns expressed by my colleague, the Member for Pembina, with respect to the responsibility and discretion in the hands of the Labour Board to decide on who will do the actual voting, and the people who vote, and who is eligible, will actually be determined under this legislation because there's a great deal of discretion, which should not be the case.

But having said that, I want to point out to these members what I consider to be the most significant aspect of this bill, because they should, in bringing forward this legislation, consider that the selector will be appointed by the Labour Board. And it may be fine, Mr. Deputy Speaker, for this government to have confidence in that system when they are in government, but are they doing their constituency any favours by having this legislation in place when they are not in government?

It is interesting to note that the New Democratic Party in British Columbia over the past few months has been extremely concerned and opposed to the establishment of what they have called the "Labour Czar" in British Columbia, who will be an appointment of the Social Credit government, who will have a great deal of discretion in labour matters in the province of British Columbia. The NDP in British Columbia have been adamantly opposed to the legislation there.

We have similar legislation that probably doesn't go as far, Mr. Deputy Speaker. What it does is it puts a great deal of discretion in the hands of the selector to be appointed by the Labour Board, and that selector will be appointed by the Labour Board as long as the parties do not agree.

Mr. Deputy Speaker, when one looks at where the bias is in our labour relations under this government, it is obviously in favour of the employee side, and has been ever since they're in government.

So what is going to happen under this legislation? The labour unions are not certainly going to feel compelled to agree with management on the appointment of a selector, because they know, in the final analysis, the board - with a tendency to support labour - will support someone of their liking, Mr. Deputy Speaker, and that the eventual decision by the board will be very favourable to the labour side.

Now, Mr. Deputy Speaker, I think what the unions are saying - those who oppose this legislation - they are saying, very maturely, that we recognize that the New Democratic Party is not always going to be government in Manitoba, and that at some future time another party is going to be in government and they may not be as much disposed to favour labour as this government is, and if they are choosing a selector and have the influence to choose a selector, they're going to be appointing people who are not very favourably inclined to us at all.

They're saying then, Mr. Deputy Speaker, that our best protection is simply to rely on free collective bargaining between the parties, because in the long run, that's what protects us best. It's the same way, Mr. Deputy Speaker, that the first contract area can be very much influenced if there is a change in government and a change in philosophy of the people who are appointed to those ministerial positions and appointed to those Labour Board positions.

What labour is saying, at least those who oppose this legislation, and I think quite correctly, Mr. Deputy Speaker, in the long run, our best protection is to maintain a free collective bargaining between labour and management, and not to have decisions imposed by someone who may or may not have a bias towards us and they recognize that, at some point in time, they're not going to have an NDP Government in power and they're not going to have someone who is favourably disposed to them, making those decisions. I think - (Interjection)- Pardon me?

**HON. J. STORIE:** You don't have to choose to win . . .

**MR. G. MERCIER:** That's right, the Minister of Education is saying they don't have to choose. Well, there can be a simple amendment to the bill by a future government, Mr. Deputy Speaker, that could say that

the members of the union don't have a say, it would simply say either the union or the management can, at any time, say we want final offer selection; and the other party will have to accept it. A future government could say that quite easily, and then the union would be subject to the bias of the selector and the bias of a future government.

So what I'm saying to these members, Mr. Deputy Speaker, they may think that they have designed a quick-fix solution to an immediate strike that is before us, but people, in both management and a significant number of people on the labour side, are saying that we have to look at the long term and we have to look at the situation that will benefit us best in the long run. The best that they can rely on, Mr. Deputy Speaker, is to maintain free collective bargaining and to avoid any situations where government or labour boards will be appointing people with a particular bias towards one or the other sides. That, Mr. Deputy Speaker, I think is the most serious criticism of this bill because, by passing this bill, what is happening is that both labour and management are saying we're only going to do as well as the bias of the government in power at the time of any particular strike.

So, rather than dealing with a bill like this on a short-term basis as a quick-fix solution, Mr. Deputy Speaker, I believe, as both management and labour unions have said, the best protection that they have of their positions is to maintain the free collective bargaining process. That's my main concern, and I think it's the main concern of most people who are opposed to the legislation, Mr. Deputy Speaker, and I simply wanted to put those remarks on the record.

Thank you.

**MR. DEPUTY SPEAKER:** The Member for Riel.

**MR. G. DUCHARME:** Thank you, Mr. Deputy Speaker.

I would like to also give a few brief comments in regard to this particular bill. I know my colleagues have covered the waterfront very well. However, because of my previous role in labour relations and for the sake of good relations, I wish I did not have to speak on such legislation.

I think probably what offended me quite greatly because of my involvement was there was a question brought to the Minister of Labour on Friday, and the question that the Minister brought forward, and I'll quote from Hansard of Friday, 19th of June, was the question by the Member for Brandon: "In view of the fact that first contract legislation, combined with final offer selection, in fact, will amount to total state control over labour relations in this province; and in view of the fact that is a very negative signal to send to potential investors in our province, will the Minister now reconsider his stand on this issue and withdraw Bill 61 before it wastes anymore time in this House?"

And what really bothered me as a member sitting over here who understands negotiations and a believer in negotiations, one word or one, two, three words in his answer was: ". . . and to be experimental." Well, isn't that something? Now, we've got a Labour Minister who wants to be experimental with a program of negotiations that's been going on in this particular city for many, many years and is very successful. No one

has found a better method, and now this particular Minister wants to tinker with that particular negotiation process.

Mr. Deputy Speaker, in my experience in negotiations, I find that this is a one-sided bill. Mr. Deputy Speaker, when I was on the school board, my first experience with negotiations, my six years, I had the pleasure of negotiating with the teachers and CUPE. We found through negotiations that we did come to a settlement. Sure, there were some who would go to conciliation and then go to arbitration but, more likely, there were two sides at the table. Most people who know labour and who are involved in negotiation respect each other to know that you do leave the negotiations at the table. Normally, you do come to some consensus.

At the city level, we dealt with seven unions. Unfortunately at the city level, as my role of executive chairman, we normally did not get involved in the direct negotiations. We were normally the carrier of the message, not like on school board where, school board, you sat across the table from the employees and hammered it out. Most people who didn't know how to hammer it out normally did not last on either side in negotiations and probably did not return to negotiate the next year. Mr. Deputy Speaker, the mystery to it all is that, as I mentioned, the negotiating process has worked. Why are we now interfering with it?

Mr. Deputy Speaker, as mentioned earlier, I have been involved in the labour relations field in my former capacity as a school trustee and city councillor for approximately 12 years. Although I have always, Mr. Deputy Speaker, represented the employer because that was a position I was put in, however, I always considered the other side. I have always recognized and respected the role organized labour plays in a democratic society.

Mr. Deputy Speaker, the proposed legislation regarding FOS arbitration is, I believe, unwise, but aspects of it are totally, I believe, unfair. The underpinnings of our labour relations system is that it is a two-party system, each with the ability to employ economic sanctions against the other as a last resort.

For the union, it is the strike; for the employer, it is the lockout. The lockout is more commonly manifested, and could be characterized as operating in the face of a strike. The use of the lockout, as I am sure you, Mr. Deputy Speaker, are aware, is usually a response to a job action and rarely used as an offensive weapon.

Mr. Deputy Speaker, what I understand this legislation to provide is a situation where the union - and a union is its membership - can impose arbitration by a vote of its membership on the employer. However, if the employer wants to go to arbitration, the union can veto the action. This is grossly one-sided, as I previously mentioned, and unfair.

When there was an attempt to introduce this legislation in 1984, proponents of this legislation argued that it wasn't really one-sided, that the union was not given the power. They were giving this power to the membership characterizing, and I quote: ". . . the membership as some kind of third party." I repeat, a union is its membership and vice versa, and to characterize it in any other way is, I submit, very misleading and incorrect.

There has been considerable experience with interest arbitration, particularly final offer selection. It has never

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been found to work in practice the way the theory suggests by this particular Minister.

Bargaining at its best, anybody who's been involved in the negotiating process, is difficult. FOS arbitration has been found to be a disincentive to serious bargaining. Any of us who have been involved in negotiation know this is true. Arbitration is an imposed solution that creates, Mr. Deputy Speaker, winners and losers. In the long term, I believe it undermines labour relations. Negotiated settlements generally are, on the main, not seen as having a win-lose outcome. For arbitration, there's always a win-lose outcome, and with that kind of attitude when we have arbitration.

To be honest with you, Mr. Deputy Speaker, my experience with arbitration has been largely negative, and I do not believe such legislation will improve labour relations in Manitoba. A far greater concern to me is the notion of enabling one party to impose it on another and not have a quid pro quo. This is blatantly one-sided, self-serving to labour, and it has a potential to make a mockery of our labour relations system.

All the choices belong to labour. Mr. Deputy Speaker, everyone knows and even labour on the other side when they're negotiating, knows that they probably have, most of the time, the trump cards. If a union wants to resort to economic sanctions, it can strike; if the union wants arbitration, it gets it. If the employer wants to resort to economic sanctions, the union can veto it by applying for arbitration. If the employer wants arbitration, the union must agree. What could be more absurdly and blatantly one-sided or unfair?

Mr. Deputy Speaker, I argue against the application of different rules and standards to one party over the other. I argue for the maintenance of the integrity of our labour relations system. One side is totally disenfranchised about what is proposed. Mr. Deputy Speaker, I fear the long-term effects for our labour relations system. I also wonder how the government plans to fund - and it hasn't been brought to their attention - the shortfall of the funding in the public sector of arbitration awards that exceed the current level of funding by government.

In both B.C. and Ontario, arbitrators made awards in the 19 percent to 20 percent range for some employers. Approximately four to five years ago, these awards occasioned legislation in both jurisdictions, most notably, as mentioned earlier, the B.C. Stabilization Act.

Mr. Deputy Speaker, I think probably one of the questions to my mind that bothers me is mentioned on page 8, 82.3(8), where it mentions the "Factors to be considered in making decision." - the first one being: "(b) the terms and conditions of employment, if any, negotiated through collective bargaining for employees performing the same or similar functions in the same or similar circumstances as the employees in the unit;" - and I'll get to that in a minute - "(e) where, in the opinion of the selector, the employer has provided sufficient information in respect thereof, the employers ability to pay;" - Mr. Deputy Speaker, how can this relate in the public sector to the ability to pay?

Another related issue is the arbitrators have consistently in the past refused to pay any attention to the ability-to-pay arrangements of employers in the public sector. Arbitrators argue correctly, I would say, that governments or their dependent agencies do not go broke like private companies if they overspend. They

do not go bankrupt because governments have the ability to keep them going. Therefore, in this situation, the ability-to-pay concept arguments are meaningless.

Mr. Deputy Speaker, as we are allowed quite a bit of time to go through each particular bill, however, because my members have probably made many of the points very, very clear, I would though at this time like to read some into the record because we are being questioned in regard to the arbitration.

The commissioner, Edward R. Peck, who is actually a commissioner in B.C. for the Stabilization Program, and I'd like to quote: "Perhaps the single most contentious issue which has arisen in the administration of the program," or the Stabilization Program, "is the concept of ability to pay. Prior to the Stabilization Program that was brought in because of the previous bills passed, arbitrators generally dismissed ability to pay as consideration in determining public sector compensation settlements. Some paid lip service to the concept by regarding it as relevant, if unconvincing. However, the popular approach was to award the wages and working conditions enjoyed by persons employed in similar or comparable jobs in the public sector, where those wages and conditions had been established through the collective bargaining process.

"The rationale was that labour is a market commodity and a fair return for labour services is best measured in the market wherein the rate is fixed. But in ignoring ability to pay, arbitrators also ignored important distinctions between these private and public sector employers. In the private sector, a true competitive marketplace exists. Consequently, it is entirely appropriate for an interest dispute arbitrator to ascertain the prevailing wage rates sustainable in that market.

"However, application of the same test to determine public sector employees' wages is fallacious, as arbitrators assume a single, bottomless revenue fund provided by government taxing power. That is the key in a process characterizing the government as a real public sector employee.

"No true marketplace can be said to exist, as there are no other benchmark providers of public services with which to compare wages and working conditions."

That is the second part, or the first part I read that in this particular final selection the selector is asked to determine fair share pay and make it equal, we know that in the marketplace how do you compare the public sector? How do you compare the public sector to this marketplace?

I know at City Council you always usually compare a lot of times to the benchmark of other provinces. The same thing would apply provincially. You usually apply it to the benchmark probably throughout other provinces and then take into consideration the cost of living.

I feel that in the public sector the factors to be considered in making the decision as mentioned in the bill are ridiculous. Arbitrators feel that making determinations about ability to pay in the public sector has the same effect as determining public spending priorities of government, a job reserved for a representative of the people. If you accept this notion, then through this legislation the government is abandoning its responsibility and ability to control expenditures in the public sector.

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Mr. Deputy Speaker, there'll be other members from this side of the House expressing their disappointment in this particular bill. I've tried to give a couple of points that I feel, through my own negotiation process and through the experience that I've been able to develop, and I must say, experience that I probably enjoy and experience that I know that I came out of the bargaining tables probably respected by the people on the other side of the table.

For all the reasons that I have stated and constructive criticism, I believe I must add, I urge you for the future of labour negotiations, I ask all members to oppose this legislation to their utmost.

Thank you, Mr. Deputy Speaker.

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

**MR. L. DERKACH:** I rise this afternoon, Madam Speaker, with considerable concern and regret about the intent of this particular bill and its further erosion of the free collective bargaining process in our province. It is a bill that's not going to affect only the workers that we have in the work force of the province at this time, but I wonder how it's going to affect the young people who are not yet in the work force.

People like the young Jocelyn Grenier that my colleague from Turtle Mountain mentioned in his speech a few moments ago, how will it affect the freedoms of this young person who so nobly did express her views on a particular topic and went on to win a contest? I'm sure that members of this House will all join me in congratulating the efforts of this young individual and young student.

This government has continuously tried and in fact has intervened in the relationships between employees and employers. To this government the employer has always been the evil-doer in society. The employer is the person who, or the corporation who supplies the jobs for people in our society, he is the individual or the corporation who creates jobs. It's not the government that creates jobs. It is people who venture into business who create employment within our province.

But this legislation is not only bad for employers, it is also being rejected by the employees of this province. There is a marked difference between the union bosses and the employees of our province.

**MR. D. ORCHARD:** There sure is. Mackling doesn't recognize it though.

**MR. L. DERKACH:** But why does this government so suddenly announce legislation of this type? Why did the Minister come to the Legislature with Bill 61? Well, I think the answer is very clear when we take a look at the situation of the Westfair workers. It is to protect the interest of people, namely, Bernard Christophe. It is not to protect the employees; it is not to protect the employers; it is to protect those individuals that this Minister takes his direction from - the union bosses - Bernard Christophe, Wilf Hudson.

The Premier along with Ministers, and in fact this particular Minister, has come before the House and has talked about freedom and fairness. They talk about

how important fairness is in our society. Well, Madam Speaker, I submit that they don't know the meaning of fairness. They have made a mockery of the word and of the term, and of the meaning of the word through the legislation that they have come with before this House.

The Minister of Education earlier this year, or last year, tried to interfere in the collective bargaining process between trustees and teachers, and he did this by offering a carrot, so to speak, into a situation whereby the bargaining power and the strategies would be severely handicapped.

He said to the teachers, if you will accept a zero percent increase for this coming year, then we will give you this amount of money which will be able to be administered, not by yourselves, but in conjunction with the trustees. Now what has resulted out of this, Madam Speaker, is that we have had much bad feeling between not only trustees and teachers, but between communities and teachers; because in small communities everybody knows the teachers. The teachers are a part of the community and now, as a result of the request by the Minister, teachers were seen as insensitive, unreasonable, demanding requests of the trustees that, in the Minister's eyes, were not logical.

But the trustees rejected this also. The idea of the Minister was not rejected only by the teachers, it was also rejected by the trustees, because they understood and they saw that this was a direct interference in a collective bargaining process which has been established in school divisions across this province for a long time, and trustees rejected it on a different basis as well. And they rejected it because it was an underhanded way of this Minister to intervene and to attempt to put some of the management controls in the hands of the employees as well.

Now we have the Minister of Labour presenting a bill to the House that will virtually destroy the good faith that has prevailed in the free bargaining process between employer and employee.

The government now, through the Labour Board, will have the power to select the person that it deems will be the good person to settle the agreement. And given the track record of the Labour Board and this government - and I name those incidents of the Sooter Studio case where we had employees who requested of the Labour Board to hear their case where the Labour Board rejected it because the Labour Board, too, is being controlled by union bosses.

We have the situation of the young woman, Jennifer Campbell, who was attacked because she was expressing a freedom of expression. This is the kind of attitude that we are being exposed to by this government and through it, the Labour Board as well.

The point has been made on several occasions that at present nothing prevents the union and the employer from mutually agreeing to use a process of this type, but not anywhere in this province have we seen this kind of approach used, and one has to ask the question why. Well, the answer is very simple. It is not used because it is unfair and because it does not work. It simply does not work for the benefit of either the employer or the employee. It cannot be fair because there is a winner and there is a loser; there is no in-between.

We have in place in our society an arbitration process and some segments, and I go back again to the teachers' and the trustees' relationship in free collective bargaining and the arbitration process. I have personally been involved on both sides as a matter of fact. I negotiated on the side of teachers for about six years and then I negotiated on the side of trustees for another five or six years. So, therefore, I saw both sides of the fence.

Madam Speaker, when we go through the free collective bargaining process, there is no winner and there is no loser in many instances. A comment was made to me that oh, the arbitration process - and this came from the government - a member said to me that the arbitration process doesn't work, because what the arbitrators do is they take the two sides and they cut it down the middle and that's what the settlement usually is. That is not really how arbitrators view their tasks at all. They weigh the pros and cons of the presentations that are made to them and then they come up with a solution that is, first of all, taken back to either the teachers' association or the trustees and it's accepted on that basis.

But before we get to the arbitration process, we go through the conciliation process which is one step before, and if you can't arrive at a settlement in a conciliation process, then you proceed through the arbitration process. In this particular instance, all of that is removed, all of that is destroyed. What we have is a selector choosing either one presentation or the other, and we have a winner and we have a loser.

This government has heard what people in our society think about this process and we have read about it as well. Working groups in our society have made their views known, and yet we hear nothing from the Minister in terms of whether he's prepared to make any amendments to this particular bill.

(Mr. Deputy Speaker in the Chair.)

An article in the Winnipeg Free Press, which I know members opposite don't pay too much heed to because they'd rather have something like the Pravda, I suppose, says that the Winnipeg Labour Council recognizes final offer selection for what it is, an attack on free collective bargaining. What it does is it drags unions and companies into a perverse form of arbitration. They are bastardizing, Mr. Deputy Speaker, if I might use that term, the arbitration and the free collective bargaining process.

Mr. Deputy Speaker, those few brief comments are what I wanted to put on the record in terms of opposing this particular legislation. We oppose it because it is not fair; it creates a winner and a loser. I wonder what will happen to the labour relationships in the future. What will happen a year from the time this particular process is completed? What kind of attitudes will prevail between management and labour after a settlement is imposed upon them? I submit, Mr. Deputy Speaker, that this province will suffer a serious setback between employer and employee. The only winners in this particular situation will be the union bosses - not the employees and not the employers.

I must say, Mr. Deputy Speaker, that it is my hope that this Minister will find it prudent to bring in amendments to this legislation. We believe that this

legislation is dangerous and is contrary and it destroys the good will and the respect that has been built up in the free collective bargaining process in this province.

Thank you very much.

**MR. DEPUTY SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNES:** Thank you very much, Mr. Deputy Speaker.

It's a pleasure to rise and debate this most unglorious bill - Bill 61 - Mr. Deputy Speaker.

Mr. Deputy Speaker, I'd like to ask the question - the rhetorical question almost: Why will members opposite not debate their own bill? Why will they not stand in support of something they claim is so badly needed and wanted, Mr. Deputy Speaker?

I think their silence says many things, and although, Mr. Deputy Speaker, I listened while you made your address yesterday with respect to Bill 61, still I'm intrigued by the fact that there are many members on the other side who have seen fit not, at this point in time, to support the government bill.

Mr. Deputy Speaker, I don't bring an awful lot of labour expertise to this debate, and I won't try and pretend that I have had a lot of experience in labour negotiations over the years. I, however, enjoyed the comments made by my colleagues who, in various endeavours, whether it's been part of school board activities either as trustees or as representatives of their local association of teachers, have found themselves in that position. Mr. Deputy Speaker, I don't have that background and, in an academic sense, I do not have that background either, and I sense that you do, given the speech you made yesterday. I, though, however, would like to make some very general comments from somebody who has now watched this introduction of final offer selection for two times in the space of some three or four years, Mr. Deputy Speaker.

I ask the Minister in charge of Labour basically one question: Does he believe that all things that are great in principle, does he believe that they all can work in practice? Because, to me, that's what's at issue, Mr. Deputy Speaker. It's whether or not this new approach of trying to prevent so-called labour disruption which appears so wonderful in principle, whether or not it can work in practice? Mr. Deputy Speaker, with your indulgence and the indulgence of the House, I would like to use a couple of examples.

I had the occasion this past winter, on a holiday to California, to go to the southern part of Los Angeles, Long Beach to be exact, and I saw the Spruce Goose. Some people may ask, well, what was the Spruce Goose? Mr. Deputy Speaker, it was Howard Hughes' plane, and I know you know that, the largest flying machine yet devised by man on the face of the earth.

Mr. Deputy Speaker, it was developed by that industrialist for the purpose of winning the war more quickly, moving military people to the theatres of action in Europe and Africa, 700 men at a time. It was going to have, supposedly, in principle, the ability to move from this continent to the theatres of war.

Mr. Deputy Speaker, as you know, it did leave the ground and it did fly. It flew for one mile. It flew at an altitude of 70 feet and then it was put down and never

to be flown again. In theory and in principle, it was supposed to work. In spite of the fact it had six of the largest engines ever yet made - and I think they were in the area of 1,200 or 1,400 horsepower each, or maybe it was 8,000; I can't quite remember the figure - Mr. Deputy Speaker, that plane couldn't fly.

I'd like to bring you one more example, Mr. Deputy Speaker. The last time that agriculture prices were so low about 15 years ago, when I was a new farmer, I wanted to move into some exotic crops. One of them was called adzuki beans. You may know what they are, I've seen them, many members won't - grown in Japan at the same latitude that we have here in southern Manitoba. And the proponents that brought over the seed and were contracting those of us who were trying to give ourselves a greater return said that they would take 90 days to mature and that fit well into our growing seasons, Mr. Deputy Speaker, and that they would produce bountifully. Mr. Deputy Speaker, we planted those and after 130 days of frost-free they were nowhere in sight of maturing and they grew to one-quarter of the size.

Mr. Deputy Speaker, the point I'm trying to make is in principle it was supposed to work -(Interjection)- oh, I planted them upside down? You're right. I may have planted them upside down. But, Mr. Deputy Speaker, that's exactly the point I'm trying to make, and I thank the Minister of Education for helping me make it, because you see you can't always make what would appear to work on paper, in principle, in practice it doesn't always work.

Mr. Deputy Speaker, just like those two situations where I am telling the Minister of Labour, the sponsor of this bill, that final offer selection, the way it's being described at this time, the way it's been embodied within this legislation, will fail. And it will fail for the many reasons that our critic, the MLA for Brandon West has indicated in his speech Friday last.

Mr. Deputy Speaker, this will not work in practice. And members will ask, well why won't it? I'll tell you why it won't work, because it puts all the power, the power of selecting between one proposal and another in the hands of somebody who has human failings, somebody that has political biases. Somebody, Mr. Deputy Speaker, who cannot give clear objectivity to the decision that must be rendered. And that's why it will fail as sure as I'm standing here. It has no hope, Mr. Deputy Speaker, and I would think you particularly, who I know understands human nature, I would think that you would realize that, and that's why it will fail because just mere mortals are going to have to sit singularly in judgment of one offer versus another.

My colleague has addressed the area of the veto given to one side. I find that reprehensible. I don't know how, in using the terms used by the MLA for Thompson when he says, "this will bring greater fairness, more fairness and equality as between employer and union," Mr. Deputy Speaker, how do you create greater fairness when you give one party a veto? How do you do it, or are you saying yes, there will be fairness but there will be a first amongst equals? There is no way you can give one party a veto as to whether the process is adopted or not.

Mr. Deputy Speaker, I ask the Minister, in his closing remarks on this bill, to tell us how pure objectivity, first of all, can be rendered by the selector, given that this person in almost all cases will be politically appointed?

Well, Mr. Deputy Speaker, of course that person will be politically appointed; and I don't care how many boards, I don't care how many commissions one attempts to launder that, but that person will be a political person as sure as I stand here, and that's where the whole system will fall down - right there.

Mr. Deputy Speaker, I couldn't also help but hear the Member for Thompson, because he's one of the few people that I've heard speak on this bill, used as a supporting argument as to why we have to begin to look at different systems and particularly this one, he used as supportive argument, material, the fact, and he brought in the SuperValu, the Westfair dispute, and he used the figure that there are employees there who are only working 12 hours a week. The Minister of Community Services, who doesn't throw her comments across the floor easily and doesn't interject often, said, "What would you think of that, if you had to keep your family on 12 hours a week employment?"

Mr. Deputy Speaker, I couldn't do it and I don't know how anybody can do it. But don't let that be the reason that Bill 61 is brought forward, because if that then becomes part of the rationale for supporting final offer selection, then what the Member for Thompson is saying - he's saying one or two things. He's saying firstly, we will legislate that Westfair will, and it will be a government edict, they will employ these people, the same number of people and they will be given 30 hours a week. If he's not saying that, then he's saying, well, there is some significant portion of those people who will have no work.

And you know, Mr. Deputy Speaker, what I find striking in that, using his argument? What would the Minister in charge of employment statistics be able to say if indeed these people showed up on the unemployment rolls, these people who now were not given 12 hours a week work, indeed were given no work?

It begs the question, doesn't it? I wonder why that maybe we haven't been more diligent in trying to dissect the employment figures to see how meaningful the work is, to allow the government in this province to go forward and say we have among the lowest unemployment level rates in the land.

Mr. Deputy Speaker, I digress, but I thought I had to comment on the statement made by the MLA for Thompson.

Mr. Deputy Speaker, one couldn't help also last night notice, if they'd watched the news, that the Federation of Labour, the Manitoba Federation of Labour, had called that press conference, inviting the media to be there to show the public that they were not disunited, that they were not different in their views on this particular bill, an orchestrated press conference, to show that the labour movement in this province indeed is not divided.

I question what is really happening within the Labour Councils. We seem to think from our vantage point there are major difficulties with this bill, and I wonder, and I guess the last question I have for the Minister of Labour, and I think it's sort of been overlooked through all the discussion. At least, that's what I've heard, Mr. Deputy Speaker. Why final offer selection at this time? You know, every time our critic, indeed any one of us ask a question, a labour question to the Minister of Labour, three-quarters of that response is

directed to addressing the climate of labour management within this province.

He can do nothing - I'm talking about the Minister - but boast as to how well that climate has been since the Pawley term of government. Mr. Deputy Speaker, I ask the Minister then, why is final offer selection so necessary in this province, which he deems to have very little labour dispute? Why do you fix something if it's working well, Mr. Deputy Speaker? And why do you do it when there are many people, many constituents of the NDP government who do not want it? It causes a great curiosity in the mind of somebody like myself who, quite frankly, and as I said earlier on, doesn't fully understand the labour environment, its history or its existence at this point in time.

Mr. Deputy Speaker, why? Why is it needed? Is it to pay off some promises? Is it to give somebody a guarantee of some sort? Is it to safeguard the powers of somebody? I think those are very legitimate questions because I can remember being a new member in this House, that the Government of the Day, when it brought forward the same regulation in the form of an amendment, brought forward by a former Minister, that it didn't take an awful lot of discussion, it didn't take an awful lot of pressure from within the community, to have that amendment withdrawn.

Mr. Deputy Speaker, I think that the Minister of Labour, again, is going to have to tell us why it's so necessary that final offer selection is brought in. And why it is to be brought in, in the fashion that will give one party a veto.

Mr. Deputy Speaker, let me conclude by saying to the Minister of Labour that I will not taunt him if he pulls this bill. I don't think members here pressured the former Minister of Labour when she wisely withdrew the amendment calling for final offer selection. Mr. Deputy Speaker, I just think that it's, at this point in time when there are so many people lining up in opposition to this bill and given, and again my main point, given that this so-called principle, in my view, cannot work in practice because, again, it has the failings of human subjectivity in the form of a selector, that person having to decide between one option or another. It's impractical. It will not work. Members on this side have said it will not work. People within the business community, people representing labour, say it will not work.

Mr. Deputy Speaker, I ask the government to withdraw the bill.

**MR. DEPUTY SPEAKER:** The Honourable Member for Rhineland.

**MR. A. BROWN:** Thank you, Mr. Deputy Speaker.

I rise to speak in opposition to this bill. This is probably the one piece of legislation which is being discussed most in the rural areas, this and the bill on human rights. This is causing the most concern of all the bills that we have before us this year.

I have a number of people who say that there is no way are they going to be expanding in Manitoba, and as a matter of fact one firm already say that they are working on an expansion in Alberta - they already are in Alberta - but all expansion from now on is going to be there because there is no way are they going to be

subjected to this type of legislation. And, Mr. Deputy Speaker, if I may, there is no way, no way, that this province will be able to attract industry into this province, with this type of legislation hanging over management and the owners' heads. There is just no way ownership is going to be standing for this type of legislation.

The Member for Kildonan the other day stated that he had been in management side, that he had negotiated with labour, and my gosh, you know, really, he couldn't see anything bad with this bill. He'd been doing great; this is a great bill; he had absolutely no problems.

I tell you something, Mr. Deputy Speaker. It's an entirely different thing when you are negotiating with your own money or with Clinic's money. If it's your own money, then you become concerned. If you're negotiating with somebody else's money, then you don't really care how much and you can afford to be amiable, because you know very well that the dollar that's going to be lost at Clinic is not going to be coming out of your pocket. I know the dollar that's being lost in my business is coming directly out of my pocket; and, therefore, Mr. Deputy Speaker, this is absolutely ridiculous, this type of legislation that's going to ruin this province forever.

Mr. Deputy Speaker, in our area, we don't have too many unions, but I must admit that they are coming in slowly. We have a number of unions now as where a couple of years ago we didn't have any. But the firm that I'm in partnership with, we have 30 employees and we have a good relationship with our employees. Sure, things are a little difficult at times when it comes to negotiating salary, but we do make a point of it and every Monday morning, before we start work, we take off one hour and we discuss the problems that we have between management and labour so that labour can air whatever their concerns are and we can react to these concerns.

On top of that, they have their own association when we start negotiating with wages for the year, that we can sit down, we don't have to negotiate with everybody separately, and things work out fine because we can sit down and work this thing out as friends because we really have been negotiating all year round. Every Monday morning we have been ironing out whatever difficulties there were.

Mr. Deputy Speaker, those are the kinds of things that can be done, but those are the kinds of things that will be done if they are being done voluntarily. You try to force that on us, and I tell you something, you're going to have a hell of a time on your hands making neighbour or making management heel to that type of dictation. Voluntarily, people are willing to do almost anything in order to create a harmonious relationship, but you force people into that situation, I tell you, then you get an entirely different reaction.

There are very many associations, of course, unions who have come out in opposition to this bill, and it's to their credit that they do come out, because they can see the harm that is going to be done in this province if we have this type of legislation. We have the Canadian Association of Industrial Mechanical and Allied Workers, the Canadian Union of Public Employees, the Manitoba Organization of Nurses Association, the Winnipeg Labour Council, the Manitoba



Association of Health Care Professionals, and others, Mr. Deputy Speaker.

These people realize that great difficulty is going to be created in this province if we force people into the kind of settlement, final offer selection. This is something, to my knowledge, that no other province has. And why do we have to try to make it difficult for business to come in and create the type of jobs and the prosperity which all of us desire within this province?

I tell you one of the reasons why the unions are concerned, Mr. Deputy Speaker, is they know that there is going to be a change in government and they know that maybe during this period of time when this government is in power that the choice of selector by the Labour Board is probably going to be somebody who is going to be siding with labour, and they will feel quite comfortable with that; but with a change of government, I tell you things could be entirely different, and don't you think that the unions don't know this. They absolutely know this and it scares the living daylights out of them because the shoe could be on the other foot. So they would much rather have the type of legislation that we have before us now where it's management and labour that are bargaining and they are bargaining in good faith.

Sometimes we have walkouts in order for them to prove their point. If we have to have this, regrettably, we have to have this situation sometimes in order for labour to make their point; but, by and large, we've been able to resolve these problems without too much difficulty.

Mr. Deputy Speaker, I would just like to make those few points. I can certainly speak as an employer and to me this is absolutely unacceptable. I hope that the Minister of Labour is going to wake up and find out that this type of legislation is probably going to be the most harmful piece of legislation that this province has ever seen.

**MR. DEPUTY SPEAKER:** The Honourable Member for Kirkfield Park.

**MRS. G. HAMMOND:** Thank you, Mr. Deputy Speaker.

I, too, rise in opposition to Bill No. 61, final offer selection. Whenever a government starts to play favourites when bringing in legislation, you know that they're bringing in poor legislation, and this is the best example of a piece of poor legislation that this government could bring in.

Now, in the short term this may work well for certain members of the labour movement - they think. But I say that this bill will not help labour or management or business in general in Manitoba.

This is the time when, because of one strike in Manitoba, the strike involving Westfair Foods, we have the government, the Minister of Labour, leaping in to the defence of - not the union - but of the union leaders. It's not the worker they're thinking of, because if they had been thinking of the worker, they probably wouldn't have been in this position. They would have been negotiating in good faith.

But always at the back of their mind they were able to know that this Minister of Labour and this government were going to bring in legislation that would bail them out. They didn't have to negotiate in good

faith. So what we have here, we have people - women, men, out on strike, very little money coming in all because we have a union leader who wants to prove a point, who wants to look like he's strong, but at the same time he wants the backing of the government to make sure that if this thing doesn't work out we've got a bail-out - and that is exactly what this type of legislation will do.

When governments try to be cute in any way - and this is what I would call this piece of legislation - there's a sunset clause, "five years." Now why would you have that if it was a piece of legislation that was worthwhile? Because if it's worthwhile now, surely it must be worthwhile for time on end. Mr. Deputy Speaker, any time that you have one party who has the upper hand, and not only has the upper hand but has the provincial government backing it, then you have a natural winner. But who is going to win if you have an employer having to accept something that was not mutually agreed on? You are going to end up with employees who will have no jobs at all. When you can work out an agreement between two parties fairly, as has been happening in the labour movement, then you have an agreement maybe everyone is not particularly happy with, but they all can live with it.

Now what we have done, what this government is doing, and this Minister of Labour, is bailing out a friend. And talk about a friend in need, that's what the union that this is brought in to protect is now - a friend in need. The members of the New Democratic Party, this government, are bailing out their friends. This is the payoff for the support they get during the election. All the phoners, all the people that run around and put up signs, the members of these unions, all the money that they will put in, the number of people that donate to different constituencies - this is their payoff - this piece of legislation - this bad piece of legislation.

When you have members of different labour movements at odds, then surely you would take another look at the legislation that you're bringing in. If it was good legislation, every person in the labour movement would be for it. Now what do we have? We have the members of the - is it the Canadian Labour Congress - saying to the Manitoba Federation of Labour, or whatever it is, that they cannot go against the government, stand up publicly against the government on this piece of legislation. This is the kind of democracy that we're seeing with the unions.

(Madam Speaker in the Chair.)

Madam Speaker, I want to bring up the point about the choice of the selector that will be made by the Labour Board if both parties can't agree. Well, it will be a very simple matter for both parties not to agree. If the members of the unions decide we won't agree on any name because we know that there's a name that we really want in the background, and that the selector will be chosen by the Labour Board - the Labour Board is chosen by the government - what kind of fairness do we have here for the employer?

Madam Speaker, there are some employers that need unions. I don't doubt that for one minute. But at the same time, there never, ever should be a case when there isn't the balance between labour and management. When you take the balance out of this,

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when you make it so overwhelming, when you bring in legislation that is really a sham, and that's what this legislation is - it's a piece of legislation, it's a payoff to certain unions in this province - Madam Speaker, when governments bring in legislation because of payoffs, because of what they owe, we know it to be wrong.

I can't state that more often. This piece of legislation is wrong. Final offer selection should never have been brought in by this government or any government.

I ask the Member for St. James, the Minister of Labour, who, and as the Member for Pembina pointed out, is the sacrificial lamb in this particular piece of legislation - I don't imagine that he has the choice to withdraw this particular piece of legislation because he's being dictated to by other members of his caucus, by members of Cabinet and by the labour unions - so, Madam Speaker, although it is my hope that this will be withdrawn, I don't believe it's within the purview or that this Minister has enough clout to even make a single change in this legislation.

Thank you.

**MADAM SPEAKER:** The Honourable Member for Minnedosa.

**MR. D. BLAKE:** Thank you, Madam Speaker.

I thought we might hear some defence of the legislation from members opposite, but they appear to be not disposed to speak on Bill 61, the final offer selection bill, that's being pretty commonly known now as the "Bail out Bernie Bill," Madam Speaker.

I don't want to take too much time in going over ground that has already been covered by members on this side so many times, but I think many of the objectionable clauses in this bill bear to be repeated, Madam Speaker. The present strike going on at Westfair Foods is causing quite a bit of concern. It's evidence of what destruction and what feelings can erupt from a labour dispute that I suppose in some way this Minister feels the final offer selection legislation is going to prevent. But I don't think he's fooling anyone with that type of proposal that he's holding out in this particular legislation, Madam Speaker.

Because, in this legislation, the final offer selection, if one is finally made, the workers get a chance to vote on it whether they're going to accept it or whether they aren't, and the employer who has all of the investment in plant and equipment is pretty much left out in the cold. I think with the amount of opposition that is building to this legislation, Madam Speaker, the Minister should be getting a pretty clear answer. But we know from his previous actions and some of the previous portfolios that he's had, that really each one of them has been disastrous and he's just had to keep moving on from one portfolio to another. Now with the predicament that his friend, Mr. Christophe, has got himself into, it looks like this legislation is just simply designed to help him out of a pretty tough spot.

Madam Speaker, I think the Minister has been fooling the unions. Some of the union bosses have certainly been led down the garden path into thinking this legislation is going to provide some labour peace. It couldn't be further from the truth. When you get opposition to the bill from some of the strong union

representatives, Madam Speaker, I don't know why the Minister of Labour refuses to listen to them.

The Canadian Union of Public Employees, one of the first ones off the mark to oppose it, represents some 16,000 members. There's 10,000 members in the Manitoba Organization of Nurses. MONA has opposed it, to say nothing of the Winnipeg Labour Council, the unions they represent, there's about 36,000 workers. And to say nothing of the City of Winnipeg and the concern expressed by the Union of Manitoba Municipalities and the towns of Brandon and Swan River and various other places that maybe haven't communicated with the Minister but have expressed concern at the Union of Manitoba Municipalities, who are having their regional meetings throughout the province this past week or so, have expressed strong opposition to it.

Madam Speaker, I don't know what more force we can bring to bear on the Minister to get him to withdraw this particular section. Really, I don't think he can clean up the bill without withdrawing the whole bill and coming back with something that's a little more acceptable to management and labour.

The Minister talks in grand terms about how much labour peace that we have had, but we've seen plants close, and I think, Madam Speaker, we're going to see an awful lot more plants close, because under final offer selection, you're going to have winners and losers. If it's the employer, the person who has the money invested in the plant and equipment coming out a loser and having it flaunted to him to some degree, if the workers feel that they have received the benefit of an advantageous offer, that he's not going to be long in looking for another location or even closing the plant all together and looking for a buyer. So I can't see any possible benefit in attracting business to this province and attracting more investment and more people to provide the jobs that we so desperately need, Madam Speaker, because the application can be made by either party for final offer selection.

As I mentioned, the workers get a vote on it, but the management or the employers do not get a vote on it at all, so there's no fairness in the bill from that point of view.

The selector or the person who's going to choose the final offer is selected by the Labour Board and there's always going to be some suggestions that the selector has been biased, whether it's favourable to management or favourable to the employees. There's no ratification of selected contract. There's no reason that the union wouldn't request this after striking for some time, because after a certain period of time, a decision is automatically imposed on them and there'll be no hesitation to go to the final offer selection. I think it will disrupt to some large degree the bargaining and good faith that has been so prevalent in the management, labour disputes. When you take away that right to free collective bargaining, I think you're supplanting it with something that, by the opposition that it's gaining, is not going to be fair to either party, either labour or management.

The Minister has been urged, not only by members on this side of the House, but strong union members who don't necessarily support our political views, but have been strong supporters of members of that side of the House. I don't see how the Minister can continue

on the path that he has chosen, flying in the face of the strong opposition that he's receiving from those that he purports to be trying to help and trying to bring in labour peace in to settle some of these labour disputes.

As I mentioned, Madam Speaker, I think he's been fooling the unions; I think there have been some pretty forceful representations made from supporters of the Labour Minister in some of the labour movement that has convinced him that he's on the right track. I'm not too sure there's a great concern for the workers involved. I think the concern there is for some of the union bosses that we've said before.

I think his friend Bernie has got himself into a jackpot with the existing strike that's going on now, and he's here to back him up and to provide some solution that will bail him out of a tough spot. So, Madam Speaker, without repeating many, many of the statements that have been made on this side of the House and thrashing old straws, as it were, I just wanted to add my voice in opposition to this legislation, which we've told the Minister over and over again is bad legislation, should never have seen the light of day.

I'm surprised the Member for Kildonan hasn't been a little more apprehensive in his strong support for it, because it was attempted a few years ago and it was realized by members on that side that it was bad legislation and it was promptly withdrawn.

But we all know the present Minister of Labour doesn't really concern himself whether he gets into hot water or not because he's been in it with every portfolio he's had. He sort of lurches from one disastrous portfolio to another, and I think this time he's proven that he's becoming more adept at it with the more practice he gets.

So I just want to add more of my voice, Madam Speaker, to those who have spoken before me, and urge the Minister to withdraw this bad legislation and try and let the free collective bargaining process carry on as it has done. Hopefully, we will have continued labour peace and not settlements that have been foisted on workers or on management, whichever way the final offer selection is brought down.

So with those words, Madam Speaker, I will let those on that side of the House try to convince us that it is good legislation. I know the Minister when he closes is going to try and do that, but we would like to hear from some of those who have had some experience in union-management negotiations and let them express their views.

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

**MRS. B. MITCHELSON:** Thank you, Madam Speaker.

I rise today, Madam Speaker, and join with those on this side of the House to oppose Bill 61, and would encourage some of the members opposite to maybe have a little closer look at this legislation and reconsider their position. I feel, Madam Speaker, that with the hearings that are coming up, there may be some of those over there who may just see the light and change their minds and support those of us in the Opposition who are definitely opposed to this bill.

Madam Speaker, I really don't know what the rationale or reasoning is for this Minister of Labour to introduce

such absolutely rotten legislation - rotten! The business community doesn't want it and labour doesn't want it, so what purpose is this legislation going to serve, Madam Speaker?

The Canadian Association of Industrial Mechanical and Allied Workers doesn't want this legislation; the Canadian Union of Public Employees doesn't want this legislation; the Winnipeg Labour Council doesn't want this legislation; the Manitoba Association of Health Care Professionals doesn't want this legislation; the Manitoba Organization of Nurses Association, Madam Speaker, doesn't want this legislation.

As a registered nurse, Madam Speaker, I'd like to put some of their comments on the record. I know that members opposite have all been informed and have all received correspondence from MONA indicating their disagreement with this legislation. I'm sure they're going to be quite disappointed when members over there should so choose to vote in favour of it against their wishes.

MONA states very clearly that they oppose the legislation because they firmly believe in free collective bargaining and that the best possible mechanism for resolving disputes is strike-lockout. The existence of the unfettered right to strike ensures that the collective bargaining process involves true negotiations.

MONA also believes that collective bargaining under the threat of final offer selection would lead to negotiators striving to impress the selector rather than working towards an agreement acceptable to all parties. And, Madam Speaker, this is a union speaking.

Final offer selection, where the selector chooses one party's final position, creates a situation where one party wins and the other party loses. Because of this, final offer selection will lead to a deterioration of labour-management relations, and this again is a union making these comments, Madam Speaker.

"We want to ensure the collective agreement that is binding on both sides is acceptable to both parties. This promotes harmonious labour-management relations in the workplace."

Another serious concern of MONA is that the proposed legislation permits the employer to interfere by requesting the vote of the union membership which is now exclusively the union's jurisdiction, and they urge this government, Madam Speaker, to withdraw Bill 61. What's their response, Madam Speaker? Their response is to push this legislation through.

Well, I must say that I don't believe that the Minister of Labour or the present NDP Government has the best interests of nurses at heart, not at all, when these people that this government proposes to be introducing this legislation for is opposed to it. I can't understand the rationale of the Minister of Labour or members opposite in their reasoning.

This bill, in my opinion, Madam Speaker, is a blatant partisan intrusion into the free collective bargaining process. It's been rejected by management; it's been rejected by labour, except, of course, for Bernie Christophe. Clearly, right from the beginning, this bill has been introduced no more or no less than to bail out Bernie Christophe, whose union is failing miserably, might I add, in its strike with Westfair Foods.

It's not proper for the Minister of Labour to introduce legislation for the sole purpose of helping one particular union in one particular situation against the clear

opposition by much of the labour movement in Manitoba. Madam Speaker, it's quite ironic that the Minister of Labour would not listen to the employees in Neepawa when the vast majority clearly indicated that they were not in support of one specific union, and now he pretends that he's bringing in this legislation to benefit the employees of unions that don't want this legislation.

The Labour Board, Madam Speaker, took no action on behalf of employees in Neepawa, and what would make us believe that now the Labour Board will take any action on behalf of employees that opt for final offer selection? Surely, Madam Speaker, this government has done enough to damage the investment climate in this province with high corporate taxes, payroll tax, high Workers Compensation fees, and now the risk of being nationalized. This Minister, Madam Speaker, must realize that any prospective company even thinking about locating in Manitoba would have serious concerns about the prohibitive labour legislation, along with the poor investment climate here in Manitoba.

Madam Speaker, hasn't the government yet got the message? Canada Packers has moved out of Manitoba, Swift's killing plant has left the province, and the Westfair head office is talking about moving their corporate head office out of Manitoba. How many jobs are we going to lose as a result of Westfair moving their head office out of Manitoba?

**A MEMBER:** A long list of them.

**MRS. B. MITCHELSON:** A long list, agreed. Madam Speaker, between the nationalization of individual businesses and companies leaving because of unfavourable business climate here in Manitoba, it won't be long before everyone in this province is working for this provincial government. How many companies have to leave Manitoba, Madam Speaker, before this Minister realizes that there are some problems with our labour legislation? -(Interjection)- This province is booming, I hear a member opposite say. It's booming to the point of blowing up, Madam Speaker. Everybody's leaving.

**A MEMBER:** That's right.

**MRS. B. MITCHELSON:** It won't be long before it's bust.

Madam Speaker, the introduction of final offer selection indicates, or says, in this province both sides will not win. There will be a winner and there will be a loser, and there will be sore losers, Madam Speaker. It just makes for really bad labour relations in this province.

The Labour Board, Madam Speaker, is the board that is going to choose the selector if both parties should not agree. Will this decision not be biased, Madam Speaker, with this NDP Government that has appointed members to the Labour Board? I have serious concerns about that.

Final offer selection, Madam Speaker, will cause strikes. Unions, knowing final offer selection is available after 59 days, will be more likely not to bargain in good faith, to call strikes and to have them settled by final offer selection. The parties will hesitate to refer

innovated or complicated issues to final offer selection. These types of issues should always be resolved by collective bargaining.

**A MEMBER:** That's the way it's always been, should be.

**MRS. B. MITCHELSON:** Madam Speaker, the legislation allows parties to assume there is a dispute even before the expiry of a contract. Bill 61, Madam Speaker, would allow application for final offer selection any time between 60 and 30 days before the expiry of a contract.

**A MEMBER:** Makes for really great good faith bargaining, doesn't it?

**MRS. B. MITCHELSON:** Madam Speaker, there will be no good faith bargaining. On the losing side, Madam Speaker, there will be no commitment to the administration of the terms of the contract because the contract is imposed by the selector. The winning side has a clear advantage and it will not make good relations, good working relations, between the winning side and the losing side.

I believe, Madam Speaker, that we on this side of the House and those that will come to committee over the next few days to listen to - and as we listen to their presentations, I believe members on the opposite side of the House, on government side of the House, will have to take a close, serious look at either throwing this legislation out the window, out the door . . .

**A MEMBER:** . . . and take the Minister with it.

**MRS. B. MITCHELSON:** . . . or making some constructive amendments, Madam Speaker. Yes, and I believe that the Minister probably will go out the door, out the window, with this legislation, because I believe he's made a wrong decision and he's convinced members opposite to go along with his wrong decision against the wishes of the many unions and labour organizations that are opposing this legislation. I believe that the time will come, Madam Speaker, in the very near future, where this Minister is going to go down the tubes along with this legislation.

So I want to say, Madam Speaker, that we on this side of the House are opposed and I'm hoping that with some persuasion from those in the community that come out to speak against this bill, the government will see the light . . .

**A MEMBER:** Listen to reason.

**MRS. B. MITCHELSON:** . . . and get rid of this legislation.

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

**MR. H. PANKRATZ:** Thank you, Madam Speaker.

I also rise - basically it should be more called a grievance speech, but seeing I've had mine for this Session, in opposition to Bill No. 61, this final offer selection - Madam Speaker, the Minister who is bringing

this bill before this House, we know his incompetence. He's taken us through MTX, a \$28 million loss to the Province of Manitoba. What will this loss be to the Province of Manitoba? Will it ever be able to be registered?

Will we ever be able to have a balance sheet to indicate what this loss will be, because there's no question in our minds that a bill of this nature will definitely keep people, industry from locating in the Province of Manitoba; and like so many of the members from up North would like to see all industry move to the North, you can well imagine what this will also do to some of your northern areas, and I think you should take very close, serious consideration and you should also consider the record of the Minister that's bringing this bill before the House, his record, before you go along and decide, as a block, that you're going to vote in favour of a bill of this nature.

It seems to me that we're facing though head-on today with government versus private enterprise, government going into business, Crown corporations, and this is all basically a part of it, and whenever there's been any wrongdoings or anything where the government can, it will blame the Federal Government for lack of funding. It never shoulders the responsibility; it never takes responsibility for its own mismanagement, and I can see again where a government of this nature, bringing in this final offer selection, have they had public hearings? Have you had public hearings throughout the province?

You're going to have public hearings in respect to Meech Lake where, after signing, you're going to have public hearings. Why don't you have public hearings to see what the general public, what business is going to say toward this?

**A MEMBER:** We're having one tonight.

**MR. H. PANKRATZ:** That's right, so why don't you have public hearings before you bring in a bill of this nature? You're going to have a lot of opposition to this bill when you're going to have the public hearings. - (Interjection)- No, but I'm referring to throughout the province, in different communities, different areas, all over, to see what the private sector and what labour feels, thinks about this bill.

Madam Speaker, we know previous members, other members who have spoken before me, they've indicated and they've documented which unions are opposing this. I'm not going to take a lot of time in respect to that because it's all documented already, but I believe we must seriously consider what this bill will do to the business climate in the Province of Manitoba.

I think this government should look at what they can do for labour as a total, not only a few specific people who are basically supporting them for elections. You have been elected to govern and make policy for the total Province of Manitoba and protect all people in labour, not only a few union supporters. So naturally our concerns have been raised in respect to the 59 days and I'm not going to go into that in detail, but I believe, I felt it was also my duty, as an Opposition member, and also reviewing this bill, to state my objection to this bill and, hopefully, that the Minister and with his credibility in this House, that members on

the government side would realize what this can do for the Province of Manitoba, that they would possibly check it out once more before they vote in favour of this bill.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Lakeside.

**MR. H. ENNS:** Thank you, Madam Speaker. I'm privileged to enter into the debate on Bill No. 61.

Madam Speaker, I begin by asking the question that I know more and more people are asking themselves as they watch this Minister, this government, and the passage of this bill as it moves to this Chamber. Why the pressure? What particular obligation does the Minister and this government feel that compels them to press on, virtually at any cost, in passing this bill? I simply can't understand that and I know more and more viewers, even those who aren't that close to politics, must be asking themselves that.

I think some of the old-timers, some that I remember, other Labour Ministers, like the late Russ Pauley, former leader of the party, he must be asking himself that question as he turns over in his grave, wondering why this party, this Minister, is passing that kind of legislation.

In checking through my archives, I will pass the Minister of Labour over this old article from the Winnipeg Free Press of Friday, March 13, 1970. It shows the then new government being sworn in. Can you imagine at that time the Minister of Labour, who is now piloting through this disastrous piece of legislation, was the Attorney-General of the province? Standing beside him was the then-Labour Minister, Russ Pauley.

Well, Madam Speaker, you did not have the privilege to be in the House with Russ Pauley, but I did. He was a feisty, old-time Labour leader and fighter and a believer in workers' rights. I dare say no one would take exception to that compliment that I paid the late Russ Pauley. But I will tell you one thing, that same Mr. Pauley would understand that in holding down a position in Cabinet, the position that he was very pleased to hold down in Cabinet as Minister of Labour, had a far greater, greater obligation attached to it than simply toadying up to Labour bosses.

There are after all three fundamental parties involved in the proper carrying out of one's responsibilities in that portfolio, certainly the side of labour, certainly the side of management, and, Madam Speaker, perhaps even more important, the interests of the public at large. All three of them can at some time be different, but when you accept the responsibilities of a portfolio like Labour you expect to carry them out in a way as fairly as is humanly possible. Even if hard decisions have to be made from time to time, that does not always satisfy one party or another. I know that's the case.

But, Madam Speaker, when the facts begin to emerge about this bill and this Minister's insistence on passing this bill, he defies all of those obligations I think that are there when one accepts their role of a Cabinet position, in this instance, the portfolio of Labour.

Madam Speaker, I spoke of some of the old-timers back when the group opposite was known as the CCF'ers. Madam Speaker, as wrong-headed, as wrong thinking as I believe they were at that time, I have

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sufficient generosity to acknowledge that that political movement was borne out of the depths of the depression, out of frustration, out of hopelessness.

Very often, one must note, there was a strong Christian element involved in the birth of that movement. Leaders, such as Woodsworth, Douglas, Stanley Knowles, all began their careers in the church ministry, and carried that on to a social ministry, a ministry that they thought could be better served in the form of political activism, and I must say they did so with considerable success and continue to do so, but, Madam Speaker, they were a different group from what we have facing us. They were a different group than what is blindly, heedlessly pressing on with this legislation. That all changed, of course, in 1961 when labour and the socialists got together to form the NDP and it was probably not until 1981 that we truly and fully felt the total impact of that.

I recall only too well that election in 1981, and I, from time to time enjoy reading back on the gloating that appeared in Canadian Labour - it's a labour publication, Volume 27, No. 1, January 1982 - "Manitoba Victory - How Sweet It Is," it's entitled, by Michael Lewis. They go on to give detailed information about how tightly-woven together the executive-union management of this country and this province is in fact with the New Democrats, politically, in this province.

They refer to the Manitoba election of 1981, the on-job canvass - approximately 31,000 workers canvassed, 179 trained and active canvass organizers, 506 trained and active canvassers, 149 locals from 27 unions participating, educating, showing the workers of Manitoba how bad things had become.

Madam Speaker, is there any doubt among any one that among the leaders of these trained activists, these organizers, that put together these thousands of people on behalf of this group to get them elected, was one Bernie Christophe? -(Interjection)- I would have to ask the Minister - only he can tell. How many, how many of the 31,000 workers, how many of the 179 trained and active canvass organizers, how many of the 506 trained, you know, organizers, were contributed by the union and the union organizer for whom we're passing this bill - Mr. Bernie Christophe?

Reading further from this document, "Manitoba Pre-election Canvasses" - this was previous to the writs being called - they went into full swing, union leaders, union representatives were contacted. Lists of local information about the number of members in each, the number of units if any in each, the kind of workplaces, the number of canvassers needed, the local union contacts, the potential canvass organizers had to be pulled together, Madam Speaker.

One could suggest, you know, that might even be some abuse of membership lists but I'll not go that far, except to say that again I would suspect that among the first union leaders to be contacted were those who are now demanding the passage of this bill. They talk - and they describe it all in their gloating away in their labour paper here - about how successful a phone bank was.

Madam Speaker, you would perhaps be familiar with the phone bank - a phone bank of 20 telephones. Over 100 phone canvassers took part. They were on the phones afternoons, evenings during the last three weeks of the campaign in Winnipeg, and in the last week in

Brandon, 19,494 calls were made, 7,654 union households contacted. All of this was being done by their partners in organized labour to secure the election of this government.

Now, Madam Speaker, I only note that because it's worthwhile putting into perspective, because then Howard Pawley is credited within the same journal with the following statement: "Manitoba New Democrats saw and participated in the kind of partnership with labour that people dreamed about in 1961," at the time of the formation of the N.D. Party. "I hope that the spirit of that partnership will continue in the months and years that lie ahead." Well, Madam Speaker, it is a few years ahead, and I can say the partnership is well, alive and kicking.

John Walsh, the then-provincial secretary of the Manitoba NDP had this to say about the partnership: "The CLC-MFL campaign was an important and integral part of our election victory. The labour movement has identified a whole new team of activists who will, no doubt, contribute to the growth and vitality of their unions and, at the same time, the NDP benefits by having a group of over 500 activists who are willing to discuss issues with their co-workers and have grass-roots interests in good government."

Well, Madam Speaker, that's all. One really cannot take exception to any of that, except, of course, one has to remember that these same 500 activists, very often without all that much consultation of union members, decide to financially support a political party. They pass those kinds of motions at executive meetings, and the money rolls in. It's these 500 activists who decide to put the resources of the union for which every day, on average, workers contribute in increasing amounts, I might add, hopefully to better their working conditions, hopefully to improve their own union structure, not necessarily to elect a New Democratic Party Government. But that all get very nicely blurred, Madam Speaker, in the kind of marriage that has occurred.

Madam Speaker, I make the point in raising this relationship between organized labour and the NDP for two reasons. Firstly, Madam Speaker, those of us on this side and, in particular, the Conservative Party come under constant attack from members opposite about our tie-in with business, our support of business, so-called, and our relationship with business and our political responses to the requests of business from time to time.

Now, Madam Speaker, I see absolutely nothing wrong with political parties at all times being open to, receptive to the legitimate aspirations, needs and requirements of all sectors of our society and of our community. It will include labour, it will include farmers, it will include business, it will include big business and small business. It includes specific concerns for particular highly identifiable issues that arise from time to time in our society. That's what government is all about.

But, Madam Speaker, when members opposite attack us for our association with business, it is done in a kind of insidious way that we are in fact the puppeteers being controlled by the big money boys on Bay Street or somewhere, which of course is nonsense. Now that we have more open reporting with respect to the finances of our parties, the finance of a party, it might come to a shock for some old-time socialists to realize

that the New Democrats get more support from business than the Conservatives do. But that's here nor there. We get support from wherever we can get it. But, Madam Speaker, the suggestion has always been from members opposite that the Conservatives, in particular, are somehow beholden because of favours that the business community bestow on us, to big business.

Now, Madam Speaker, when can we shed a little bit of light, other than on occasions like the passage of this bill, about the nature of the contract that the New Democrats have with big labour and with big union organizers? When is there a better occasion presented to us than the passage of this kind of a bill that pleases no one, except carries out, fulfills an IOU that one or two business leaders who supplied some of the 500 activists, who manned the phone-backs, who encouraged their unions to contribute financially on a monthly basis to the livelihood of this party. That's when you start answering the question "Why?"

I really don't believe that the Minister of Labour, left to his own devices, particularly enjoys watching television at night and having one organization after another organization come out and condemn the bill. And, Madam Speaker, I know he wouldn't be overly concerned if it was only coming from business quarters or Chambers of Commerce, but in the last weeks, the last 10 days, it has been an increasingly large number of people that he sits in this House and purports to support - the working people, union people, organized union people, in larger and larger numbers.

Now, Madam Speaker, one doesn't have to be a student of psychology to see the pain on this Minister's face. I mean this Minister has reason to be in pain, in constant pain, because, Madam Speaker, I'm sure that when he first broached this subject before his own caucus and before his own Cabinet, I'm sure he told them that this is what organized labour wants, and, by gosh, we're going to deliver it and they all stood up and enthusiastically said, yes, that's right, we're going to deliver it, this is what organized labour wants.

They didn't particularly care what management wanted, but if Wilf Hudson, Bernie Christophe, a few other of the labour leaders had impressed the Minister that this is what labour wanted, this is what labour would get.

Lo and behold, what's happened? It's got to concern the Premier; it's got to concern every member opposite, when all of a sudden what should have been, from an NDP perspective point of view, a good, clean fight, labour against business - he was hoping that only the Chamber of Commerce, only the business community would maybe oppose this bill and then he could feel ideologically secure that he was doing the right thing, that he was, in fact, a friend of labour and passing the kind of legislation that he was convinced labour needed.

Well, Madam Speaker, that claim can no longer be made. Thousands, many thousands of working people have told them they don't want the legislation. Important union leaders in this province have told them they don't want this legislation. So that comfort that I just described is taken away from him, he can't do that.

Then, Madam Speaker, why is he persisting? I think that's what's making him a little uncomfortable, because there can only be one answer to the "why is" - he is paying off an IOU to a relatively small handful of high-

powered labour leaders, who participated, back in 1981, who wrote the headline, "Manitoba - How Sweet It is," how sweet it is when you don't have to be elected to this Chamber, you don't have to be a Cabinet Minister, you don't have to be anywhere near this building and you can call the shots. That's what labour means when they describe how sweet it is in Manitoba.

The Minister of Labour is now meeting the obligations that went along with that contract, with that marriage, and, Madam Speaker, that is causing him difficulty because, while he's satisfying a few, he is disturbing a great number, including a great number of organized union supporters who normally would be onside with the government, who in fact are paying regular check-off donations to support the NDP politically, now see that party turning on them and not doing what they want.

You see, it gets ideologically mixed up. As long as the fight is fair, the good guys-the bad guys, business-labour, men-women, boys-girls, you know, then you can have an understandable confrontation. But when it gets mixed up and muddied up the way this issue is on Bill 61, I know that the Minister in responding to this bill and closing debate on this bill will have to be very careful. He can't simply stand up and say, oh, it's only the Chambers of Commerce, it's only big business that is opposing this bill, and the Conservatives - their lackeys, their lap dogs, the Conservatives. He can't say that to any of us who oppose this bill because he has to remember the substantial number of large union organizations that have told him and his government that they also oppose the bill. So the Minister will have to be very careful. He cannot give us a blanket condemnation for opposition to this bill.

We, on this side, even at this late hour would seriously ask him to reconsider the bill, at least walk into the committee hearings with an open mind. There's no dishonour to withdrawing a bill when it becomes evident that what might have been in the minds of some a positive step towards labour relations in this province, but either its time hasn't come or indeed the original thought is faulty, as many of us believe, because the concept behind this bill is not new. It has been tried in this province on a voluntarily basis. In fact, the University of Manitoba had final offer solutions in their contracts and dropped it. It didn't work. Other organizations and other jurisdictions have had it, and they dropped it. So, it's not a new, innovative approach.

I give the Minister a chance and an opportunity to reconsider the bill, reconsider the damage that this will do to himself and his credibility and that of the government, because we are left with no alternative but to continue calling it "The Bernie Christophe Bail-out Bill." We've been given no other ammunition and, in fact, tonight there will be another large union organizer on television expressing their opposition to this bill.

**A MEMBER:** Who's that?

**MR. H. ENNS:** I don't know but there will be, as there was last night and as there was the night before, and that must worry the Minister.

So, Madam Speaker, the Minister has ample opportunity to tell us in the closing of this bill that it

is his judgment that this bill is a worthwhile bill to be proceeded with, but that he has not closed his mind. He will be prepared to listen at committee to the representations made. He will weigh the representations as to where they come from, who they speak for and then, in the final analysis, come to his senses and withdraw the bill.

Thank you, Madam Speaker.

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

**MR. J. DOWNEY:** Thank you, Madam Speaker.

I have a confession to make. I have spent the last 10 days preparing for the speech that I'm about to give, and I would hope that I would be able to spend the better part of the next 40 minutes, with leave, to deliver it, Madam Speaker.

Madam Speaker, I rise to place my opposition to the bill which is before the House, Bill 61, dealing with the labour situation. The Minister of Labour, I think, first of all, in introduction of this bill, should have told the members of the Legislature as to why he is introducing it. Every time we've turned around, Madam Speaker, we have heard the Premier, we have heard members of his Cabinet saying how wonderful it is in Manitoba. What a wonderful climate we have for workers and management in Manitoba. Then why, I ask, Madam Speaker, is he introducing more labour legislation? If he has harmony now and if it's as great as he said it is, why is he introducing this legislation? Is the Premier, Madam Speaker, not happy to have things running on a normal keel? Does he always have to have things running upside down? Is that why he's introducing this controversial labour legislation?

Madam Speaker, first of all, we've got a Minister whose credibility in this House is absolutely zero. I've just come back from a series of municipal meetings, Madam Speaker, and I tell you, this government's record is a shambles in rural Manitoba. Their credibility is gone. The recent release of the Auditor's Report dealing with the Minister of Municipal Affairs has scared that Minister away from the municipal council meetings. He's a disgrace, Madam Speaker, to the councils of this province, and they are saying so at those meetings. Yes, Madam Speaker, they're extremely upset that he's not going to their meetings, and why isn't he? Because I guess, Madam Speaker, it's because of the credibility of this government that he can't face the music.

Madam Speaker, let's look at a couple of points. I want to make a couple of points and I'll make them quickly. We see, Madam Speaker, this government funding unionized hospitals at a greater rate than those hospitals that aren't unionized. Now is that fair play and fair treatment? No, Madam Speaker, it's not fair play or fair treatment to fund unionized hospitals at a greater rate than those that are ununionized.

**MR. D. ORCHARD:** That's NDP fairness.

**MR. J. DOWNEY:** Yes, that's right. My colleague from Pembina says that's NDP fairness. I guess it is. Yes, Madam Speaker, we have a labour-oriented government that I think this time stepped in the cow paddy. I think this time they've got themselves in trouble. The point

is, Madam Speaker, that I made earlier, if things are running so well, why disrupt it?

(Mr. Deputy Speaker in the Chair.)

I want to make one other point, Mr. Deputy Speaker, in the few minutes that I have to comment on this, and that is the message that I'm getting again from the councils of this province that they're extremely nervous and upset, not because they want a law changed in labour that makes it easier for labour to control the province and the people of this province. They would have liked to have had a change to the labour bill that made it so they could talk to their constituents, Mr. Deputy Speaker, that they could talk to their workers, when there was a move made to unionize the municipalities. That's the kind of change that they wanted.

They want it, Mr. Deputy Speaker, so my colleague from Turtle Mountain wouldn't be threatened, my colleague from Brandon West wouldn't be threatened for unfair labour practice in a country of free speech and of free representation. Those are the kind of labour changes that this Minister of Labour should have introduced to this Assembly, so that the people of Manitoba would have agreed with it. But no, Mr. Deputy Speaker, this Premier, this Minister of Labour cannot have things running on an even fair keel.

Well, my colleague from Pembina says, that's NDP fairness, when you provide more money for unionized shops in the hospital field, when you provide less money for non-unionized shops, that's NDP fairness. Well it isn't fair, Mr. Deputy Speaker, and I'll tell you that this government better make that cement pretty solid in labour legislation, because this Opposition, when back in government, are going to clean up the labour act. We're committed to do it so that there is truly fairness between labour and management and not slanted one way or the other as this government would have do.

Mr. Deputy Speaker, as I heard my colleague from Lakeside plead with this Minister, it shouldn't be any more embarrassing, Mr. Deputy Speaker, to withdraw this legislation than to have resigned as the Minister of MTS over the MTX fiasco with the \$27 million loss hung on the people of Manitoba.

This should be easy for such an incompetent person. This should be an easy step for that Minister. I mean his credibility is shot anyway. What has he got to salvage? What has he got to salvage? I would think, Mr. Deputy Speaker, that he could maybe recover just a little bit in the eyes of the people if he would listen to both the labour and management and everyone else in the province with his ill-conceived bill that's before this House.

I would plead with him to come to his senses and if he doesn't come to his senses, unless the Premier's so embroiled in all the other scandals that are going on around him, with Workers Compensation, with the MPIC fiasco, with all the other scandals, Mr. Deputy Speaker, maybe he is so taken up with those that he doesn't know what his Minister of Labour is really doing.

My suggestion would be to get his feet on the ground and talk to some of the grass-roots people at the municipal council level and he'll get the message loud and clear as to the incompetent job that he and his government are doing. Please withdraw this bill.



**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. DEPUTY SPEAKER:** The Honourable Minister of Labour will be closing debate.

**HON. A. MACKLING:** Thank you, Mr. Deputy Speaker. I will not, in the brief time I have, endeavour to answer point by point those members in the Opposition side who did make some points. I want to say that I will not reply in kind to those who in their speeches did not deal with the bill, but dealt with invective and personal attack upon me. I understand and I sympathize with those members who cannot formulate argument, logical argument, and stoop to smear tactics, Mr. Deputy Speaker.

I want to say that there are members on this side of the House who I know dearly would like to have spoken at length on this bill, but I want to put on the record that because of a commitment that the committee would meet tonight and that representation would be heard by the committee, members on this side of the House refrained from exercising their right to speak on Second Reading in order that members on the opposite side of the House, the Opposition, would have the fullest opportunity to put their arguments on the record.

So let no one take from the fact that many of my colleagues have not spoken on this bill any indication or any argument that they are not strongly in favour of this bill and in their eloquence, their arguments, I'm sure might have persuaded some members to change their thinking somewhat, but I'll endeavour in the short time to respond to some of the concerns, legitimate concerns, that were put on the record by some members opposite. I don't generally care to single out individual members opposite for praise, Mr. Deputy Speaker, as to their effort to try at least to deal with the bill.

But, I want to put on the record that of all the speeches that I heard from members opposite, I recognize the Member for Charleswood as having read the bill and given some thought to the issues involved.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. A. MACKLING:** There were many concerns put on the record about winners and losers and I want to say that when we have strikes and lockouts the winners and losers are even more profound. Society loses. Not only workers, management and the industry itself lose, but society loses.

That is why we, as a government, are concerned with the kind of labour relations environment we have in this province, because we lose productivity, we lose capital. We lose productivity, and again, from ongoing industrial and manufacturing activity in this province, work activity that is lost cannot be replaced, Mr. Deputy Speaker. That is why we are concerned, not to sit still, not to rest on our laurels, not to be dissuaded by those who are fearful of change, because if we had done that, we would not have effected change in 1972.

The Honourable Member for Lakeside referred to our late beloved leader and colleague, Buzz Paulley, who defied the Opposition at the time when he introduced sweeping labour legislation in 1972, and the doomsayers were saying then that was catastrophic.

Well, they said the same things in '84 when my late beloved colleague, Mary Beth Dolin, was Minister of Labour and introduced labour legislation which is paying off profoundly for the people of Manitoba.

The honourable members - at least one of them - mentioned grievances, the problem with grievances. We have in that 1984 labour package effected an efficiency in respect to grievance mediation and handling that is probably the best in the country, saving millions of dollars, not only in lost time and productivity, but many hundreds of thousands of dollars that were otherwise spent to lawyers, consultants and people who were involved in settling those matters.

(Madam Speaker in the Chair.)

The winners with this legislation are the people of Manitoba because this legislation is pro-settlement, pro-continuity of effort between workers and management. It is but another tool to allow workers and management to settle disputes. We come into the labour relations equation with the understanding, Madam Speaker, that both management and workers want to work together, want to have an agreement, want to have an understanding and are mutually committed to their ongoing mutual welfare. That's a given, Madam Speaker, and surely, coming in, looking at the labour relations environment, one has to say strikes are not beneficial, lockouts are not beneficial. Is there some further way in which we can assist in providing mechanisms to provide for their harmonious settlement of disputes?

Yes, there is arbitration, there is interest arbitration, but what interest arbitration involves is a decision-making by a third person, where the two parties - labour and management - have given up their responsibility, have admitted failure in their responsibility and turned it over to someone else to make the decision.

Under this process of final offer selection, there's no giving up the responsibility. There is an ongoing responsibility up until the very last time for both parties to realize that their differences are not that great, to refine and condense their offers to a point where the difference between them is obviously not that great that they can come to a settlement, because this system will work best when it's worked least, when as a result of this legislation, parties will be enabled to come to their own decisions.

That's why, in this legislation, we have provided for periods of time in which the selector will not automatically make that selection. There will be a time in which the parties will continue to agonize over whether or not they couldn't attain settlement themselves. And during that period of time, the full benefit of our Department of Labour will be available to the parties to conciliate, to mediate, to do whatever is possible to effect both parties coming together and forming a collective agreement.

Honourable members, however, when they look at the process, some of them said, you know, this is such a simplistic process, the winners and losers, and I've dealt with that argument. They talk about it being like the flip of a coin. At least the Honourable Member for Charleswood read through the bill and looked at what determinants the selector, at least, shall look at, and of course other factors.

The selector is someone, that man or woman, who surely will have objectivity, and I've heard, Madam Speaker, too often in the speeches from members opposite, either direct or implied criticism of the Labour Board, direct or implied criticism of arbitrators in this province, and I want to put on record my pride and satisfaction in the kind of men and women that have taken responsibility of appointment to the Labour Board of this province in the past and the current time.

I want to put on the record my pride and satisfaction with the kind of arbitrators we've had in this province who are charged with the responsibility of coming forward with fair decisions, fair in reflecting a balanced approach, and I don't have the kind of negative thinking that honourable members seem to espouse in respect to those people who'll be charged with the responsibility of making a selection.

Madam Speaker, the selector is not an automaton, he doesn't flip a coin. He hears the parties, considers the issues and, Madam Speaker, it is only then, after he's questioned, tested the parties, that after a period of time he makes his selection.

Madam Speaker, as I've indicated, this process is designed not to chill or to frustrate collective bargaining, but to encourage it. Simple interest arbitration has a chilling effect on collective bargaining. The parties back off and say someone else will come up with a compromise answer. No one else will come up with a compromise answer for the parties under this system. The parties themselves will have to realize they have to formulate an offer which is reasonable because it will be the most reasonable offer that the selector will take. There's no magic in that, but there is good sense.

Where final offer selection has been tried, contrary to the opinions of members opposite, it hasn't been all a disaster, far from it. In most instances, those who have used final offer selection have found the positive benefits I have been talking about, that the mere presence of the system has forced the parties to bargain collectively and usually come to an agreement themselves.

I've heard, Madam Speaker, some say that well, what we're doing here is somewhat analogous to what's happening in British Columbia. My heavens, the disparity in the approach between what we're doing here and British Columbia is miles apart. In no way, Madam Speaker, does this legislation erode the workers' right to decide whether or not they wish to strike. The workers who fundamentally in every settlement, every single settlement of a labour-management decision, every negotiated settlement, is subject to the final ratification of the workers. The workers in the final offer selection process will make the final decision as to whether or not final offer selection will be used.

Madam Speaker, final offer selection provides more democracy, more responsibility, more fairness to workers. Madam Speaker, while I recognize that there are some who have legitimate concerns about change, we believe that this change is in the interests of Manitoba workers. We believe that this option should be available to Manitoba workers to utilize in contrast to the only ultimate weapon that otherwise they could utilize, and that would be strike.

Madam Speaker, there are many further arguments I would like to place, but I know that honourable

members have a commitment. We want to pass this legislation at Second Reading, and we will hear people speak at committee, and should we consider it necessary, we will make amendments. But Madam Speaker, we will not change the basic thrust of this legislation which is sound, which is to provide a further option, a further mechanism for workers in this province to come to reasonable agreements with management. Thank you.

**MADAM SPEAKER:** The question before the House is the proposed motion of the Honourable Minister of Labour, Bill No. 61.

All those in favour, say aye; opposed, say nay. In my opinion, the ayes have it.

The Honourable Opposition House Leader.

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

**MADAM SPEAKER:** Call in the members.

On the proposed motion of the Honourable Minister of Labour, Bill No. 61, all those in favour, please rise.

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

#### YEAS

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

#### NAYS

Blake, Brown, Carstairs, Connery, Cummings, Derkach, Downey, Driedger, Ducharme, Enns, Ernst, Filmon, Findlay, Hammond, Johnston, Kovnats, Manness, McCrae, Mercier, Mitchelson, Oleson, Orchard, Pankratz, Rocan.

**MR. CLERK, W. Remnant:** Yeas, 29; Nays, 24.

**MADAM SPEAKER:** The motion is accordingly carried.

#### PRIVATE MEMBERS' BUSINESS

**MADAM SPEAKER:** The debate on Second Reading, Private Bill No. 30, standing in the name of the Honourable Member for Emerson. (Stand)

#### SECOND READING

#### BILL NO. 55 - AN ACT TO INCORPORATE SOUTHWOOD GOLF AND COUNTRY CLUB

**MR. D. SCOTT** presented Bill No. 55, An Act to amend an Act to Incorporate Southwood Golf and Country Club; Loi modifiant la Loi intitulée "An Act to incorporate Southwood Golf and Country Club," for Second Reading.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Member for Inkster.

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

Madam Speaker, some time ago the counsel, Mr. Bud Irving, for the Southwood Golf and Country Club asked me if I would bring this change to the act incorporating that same club before the Legislature and I agreed to do so. It's with some pleasure that I bring this matter to the House. I understand that Mr. Irving is known to a number of the members opposite and I have not heard any expressions contrary to the proposals made within this bill by the members opposite, so I do hope that it sees easy and quick passage.

The difficulty of this club, along with many of the other clubs that had previously incorporated here in the Legislature of Manitoba, is that the shareholders or the share distribution and the share availability - the number of shares they have that they can sell - is somewhat limiting to them, especially when there is a stated amount of what they can sell the shares for.

The actual value of the incorporation is therefore much, much less to an organization if they're limited to a certain number of shares at a very low value. It may have been set at a time much earlier than today, prior to inflation, which may be two or three times the actual operating cost today compared to what it was when the legislation was originally introduced many years ago.

Madam Speaker, the basis of this bill is to increase the types of shares that can be offered. Currently, there is only one type of share priced at \$50.00. What they are asking for in this bill, which has incidentally been approved by the membership of Southwood, is to increase the allocation of shares to divide it up essentially into four different groupings of Class A, Class B, Class C and Class D shares. Each of those classes would have 1,000 shares within them. All classes of shares are *pari passu*, or equal, and the existing people, existing shareholders, will be issued new shares and the new shares will have a value of \$300.00.

If there are certain members of a club who do not wish to pay the additional \$250 for the new shares, their old shares will still be recognized by the club. So there is no forcing of existing shareholders to pay the additional amount in to share capital for the operations of the club.

I am pleased to inform members of the House that it is my understanding that the vast majority of shareholders had indicated a willingness to go along with the proposed change and are willing to contribute the additional \$250 to receive the new share of the golf club.

There is another provision in the new act as well that I would like to make mention of, which provides for an individual, who wants to withdraw from the club, to be able to receive back from the club the value of the share - the value at the time that he paid for that share. In other words, if they paid the \$50 share amount and they want to withdraw from the club, the club will now, and must now, pay back if the person desires that \$50; and the same in the future for the \$300 shares, if someone decides to withdraw, or was moving away, or for one reason or another wishes to withdraw his

share from the club, the club will be required to pay back the \$300 to that member.

It's something that I have not noticed in some of the other bills we've dealt with in previous years, and I think that is an important element in the association that a person should be able to trade their shares or to cash their shares back into the organization from which the share has been issued.

So, Madam Speaker, with those relative few words, I would commend this piece of legislation to the members of the House, and I expect the Member for Minnedosa will be following me very quickly here, and giving his approval to the bill as well, but I commend the legislation, Bill No. 55, to the House, Madam Speaker.

Thank you.

**MADAM SPEAKER:** The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Madam Speaker, I move, seconded by the Member for Minnedosa, that debate be adjourned.

**MOTION presented and carried.**

### ADJOURNED DEBATE ON SECOND READING

#### BILL NO. 17 - THE MUNICIPAL ASSESSMENT ACT (2)

**MADAM SPEAKER:** Debate on Second Reading, Public Bill No. 17, standing in the name of the Honourable Member for Morris.

**MR. C. MANNES:** Madam Speaker, I wish only to make the briefest of comments, all of them in support of the bill as sponsored by my colleague, the MLA for Emerson.

Madam Speaker, I, too, would like to put on the record the views of a number of constituents of mine who have taken the effort, and I dare say the opportunity to write me and express their views as to how they feel that the Bible colleges within this province are being totally discriminated against in a property tax sense.

Madam Speaker, I, quite frankly, haven't been able to follow all the debate and, if I had, I don't know if the chronological circumstances would have been presented as to why this discrimination, in a taxation sense, has come into being. Nevertheless, Madam Speaker, I would hope that members opposite would see fit to support the bill in its present form and support the principle behind the bill such that fairness can again be restored to those institutions within our province who teach in such a meaningful fashion.

Thank you, Madam Speaker.

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

**HON. L. DESJARDINS:** Madam Speaker, I also will follow the example of the last speaker and be very short. I must admit that I had no intention of speaking on this bill presented by the Member for Emerson, not

that I didn't think that it was an important bill, but I thought that anybody with ears knew exactly where I stood on the question of schools, parental rights and education, and equal opportunity for all.

Why I'm standing up today, because I must protest the speech made by the Honourable Member for Lakeside, I couldn't understand why that speech was made. It seems that if he wasn't such an efficient member who had been around for a long time, it was just as if he was challenging us to oppose it. I could never understand at all, I mean it was challenging us and that's a dangerous game, it's strategy, and he's the type, I think, that knows the strategy very well. He's one of the sharpest persons that's been around the most, as I say, and understands the reality of politics. And challenging a government that has a majority not to vote, or to say that they are voting for that because they're just brought in or forced to, and so on, it was a silly speech.

I don't want to imply any motives because I'm pretty well convinced that he's sincere in supporting this bill. I think he is. I have no reason not to think so. He really was trying to be funny and it's a very dangerous thing, as I say, to bring this.

I can tell you, Madam Speaker, that some of us on this side, because we did discuss this, we took it very seriously, and we don't all agree but at least we thought that we would vote the way we felt, that we followed the dictate of our conscience and I think that's an important thing. You know, the statement was made, oh, it will be burned, it'll never come back again. No, this is a bill, not a resolution and it could come to a vote, if not tonight, maybe the next time. I think it will come to a vote fairly soon.

As I say, I don't want to belabour the point, but that was very unfair and dangerous because some of our people asked themselves, you know, people don't all react the same way. For some people a certain bill is the most important thing; it's a question of principle. Other people, well, it's not that important, and they can swing and they can go along with what they feel might be the best for the party at the time, depending on how - well, I shouldn't say how seriously because you're taking all these things seriously - but what it means to you. There might have been for a few seconds, the temptation to say, okay, fine, if that's what he wants, we'll vote against it. But, no, we've discussed amongst ourselves and some of us felt that we want to support it, and as I say, it shouldn't be very difficult to find out which side I'm on.

In 1959, that was one of the reasons why I entered politics, to try to eradicate the prejudice in the schools, or if we had prejudice, to try not to act on it. In 1959 I believed in parental rights in education; and in 1956, the year '61 and '62 and all the way, if I enumerated all the years that I was in favour of that I think I'd run out of time. I also believe in the question of equal opportunity for all the students. And I must say that I've been here many years and I've said before that I don't seem to win too many of those, what I'm talking about, aid to private schools and the question of parental rights in education, but I think I'm pleased to say that I think things are changing.

I haven't seen any more people opposing it with this concept "over my dead body"; that is gone. I'm not suggesting for a minute that everybody agrees with it,

but it's not the same thing. There's not this antagonism any more.

We have a bill in front of us also that talks about discrimination on human rights and it makes it quite clear. That's the way I read it anyway. It makes it quite clear that you're not going to be discriminated because of religion preference also. It talks also about the equal opportunity for all the youngsters and the students.

So, Madam Speaker, with these notes, it's a bit of sadness of somebody - you know I'm not going to try and guess what motivated my friend to make that speech - but I would say that without any doubt at all or without any hesitation, I intend to support this bill.

Thank you very much.

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

**HON. J. STORIE:** Thank you, Madam Speaker.

I, like most members on this side, and I assume members on that side, considered this particular bill for a great length of time and looked at all of the arguments that were being made in the bill and I think it's important that individual members provide their thoughts and put forward their point of view.

I appreciate the comments made by my colleague, the Minister of Health, because he's absolutely right when he says that there are different points of view with respect to this bill, and what it is intending to do and the method that is being chosen to accomplish that particular goal. I'm sure that our caucus is no different from any other caucus in that there are different points of view and, Madam Speaker, there are elements of this bill that caused me some concern and I want to put those on the record at this point.

Much has been made, Madam Speaker, about the reasons for this bill being in the Chamber, and one of them has been the question of treatment of religious colleges with respect to other colleges. Clearly, fairness - like many other things - is in the eye of the beholder.

I believe that when our religious colleges were established, whether it's the Winnipeg Bible College or the Mennonite College, they were established in Manitoba with a certain set of assumptions, with a certain set of ground rules which, at that time at least, they believed to be fair.

Madam Speaker, I do know some of the history of the Winnipeg Bible College in particular and certainly, if one reviews the history - and I've had an opportunity to meet representatives of the Winnipeg Bible College - I understand from the history where people would feel somewhat confused and concerned over the approach that was taken by the rural municipality in this case. However, the rural municipality is a duly elected body, a duly elected council, and it is within their jurisdiction to make those kinds of decisions.

But to bring forward the suggestion at this point that it's a matter of fairness, I think is probably accurate from one perspective, and I know from talking to representatives of the four colleges involved that they do have some major concerns that revolve around the issue of fairness in their eyes, but also an issue that revolves around the question of financial support and financial concern at the college level.

So while this is a question of fairness, clearly, in the minds of those at the college, it is also a question of

survival, perhaps, and certainly a question of expenses, costs, of maintaining those institutions and providing those services.

So, Madam Speaker, when you raise the question of whether they are being treated fairly, I guess you have to first ask yourself: On what basis were the colleges established? Did they understand the ground rules when they were established and when they were granted degree-granting rights? On what basis did they begin their operations? And have things changed substantially since that time?

Clearly, they make the argument that they are no different than the former religious colleges, those colleges that are currently affiliated with our universities, historically, there are some differences. They have some elements which are similar, no doubt, but there are some historic differences.

I think that a letter that I have seen recently, and comments that have been made to me by representatives of the college, I think they've made the point that if the government were to be fair in their eyes, they have two choices. One, of course, would be to provide some additional support either by virtue of the courses that the colleges offer or by virtue of providing exemptions through legislation such as has been introduced by the Member for Emerson or some other way.

The fact of the matter is, Madam Speaker, that the rural municipalities, the City of Winnipeg, has the authority to do what we're being asked to do by legislation and through Bill 17.

The fact of the matter is, as well, Madam Speaker, that the colleges, while they do provide - and no one has ever denied or I think should suggest that they don't provide a good service, a useful service to their students, to their clients, because they do, and they provide a quality education. I think that goes without saying. The fact of the matter is, however, that many of their students, many of the courses that they offer - particularly those that have been accredited or that are recognized by our universities - are available at our universities. So in fact it is a duplication in some senses of courses that are available. Now I know that isn't the case in terms of every course, but it is certainly in the vast, vast majority.

I suppose one could suggest that the colleges have chosen to offer additional courses and those courses which may have traditionally been offered by our universities because there is some advantage to the college in doing so. Clearly, the colleges are more attractive if they can offer courses which are accredited at our universities. So it is in their interests in terms of attracting students, in terms of retaining students, to make those choices and to offer those courses, and they've done that, Madam Speaker, on their own merit and for their own reasons.

There are substantial differences in both the history of the colleges and in the way that they have developed over the years. Perhaps I would agree with those from the colleges who would suggest that if the province were to rethink its position in its entirety, perhaps we would rethink the relationship and the nature of the relationship between the colleges that are currently affiliated in a substantially different way with our universities - St. John's College, etc.

Madam Speaker, there is a question of fairness that not very many members have addressed in their debate,

and that is a question of fairness, I guess, to other non-profit religious or non-religious organizations in this province such as day cares which currently do have to pay municipal taxes.

I believe that some members have suggested - the Member for Inkster, perhaps, and perhaps others - that if we are going to deal in a holistic way with the problem of reassessment and assessment on religious or non-profit property, then we should do that through the reassessment reform as well, and I think people recognize that, in fact, one of the recommendations in the Weir Report was that kind of approach. So we could take a holistic approach and move in that direction so that if we're going to worry about fairness, that we talk about fairness on a broader scale of fairness to those non-profit religious or non-religious groups which offer services to the communities.

The Member for Morris is suggesting that we even broaden it and that we forgive taxes and exempt taxes to farmers that are losing money. He's concerned, obviously, as I think he should be, with the tax base of our municipalities. I believe that's the concern he's expressing, and, Madam Speaker, it's fortuitous because my next point was the fact that what we are doing is unfair to the municipalities. We are, by an act of the Legislature, unilaterally depriving those municipalities of revenue.

What I find astounding, somewhat surprising, is that members opposite who often have quite rightly supported the arguments of the Union of Manitoba Municipalities and MAUM regarding the decisions that are made by government that affect them, impact upon them, that in this case, without consultation, they are prepared to move via the Legislature in a unilateral way which undermines the revenue that's available to municipalities.

Madam Speaker, I have made the case before that if we were to do this in a most orderly fashion, that the Member for Emerson and other members who support this particular piece of legislation should be going before the councils - the Rural Municipality of de Salaberry, the City of Winnipeg - and saying that the current City of Winnipeg Act and Municipal Act provide the authority to grant the relief that these colleges are seeking, and they are the duly elected bodies, they are the local authority where these decisions should be made.

Madam Speaker, I'm aware of instances where local councils - cities and towns - have made decisions with respect to the taxation situations of non-profit religious and non-religious organizations and that can happen. Madam Speaker, so there is an issue of fairness in this question in terms of both the other non-profit groups that are out there and are currently paying municipal taxes of one form or another, and the question of fairness to municipalities themselves, who I do not believe have been consulted adequately with respect to this bill.

Madam Speaker, the Member for Steinbach, when he spoke in support of this particular bill, also suggested something that I believe was contrary to the comments that were made by the Member for Emerson when he introduced the legislation, and that is that there would be an expectation that this exemption would be expanded. The Member for Emerson had his own list of colleges that he felt should also be included in this

particular legislation. He mentioned the Steinbach Bible College.

Madam Speaker, he also suggested what many of us are concerned about, or at least I am concerned about on this side, and that is the question of whether the municipalities are not, in fact, going to seek some remuneration, some redress from the government.

The Member for Emerson, I believe in his opening remarks, suggested that this was a no-cost issue for the Provincial Government. The fact is that the taxpayers of the municipalities affected are going to pay. And the Member for Steinbach and other members have suggested that in fact they're going to come to the province, so that it is in effect, going to impact upon the provincial situation.

So, Madam Speaker, I think that the issue before us is an important one. I know it's one of great concern to the colleges and many of their supporters. Madam Speaker, it may be an issue of fairness from one perspective, but there are other perspectives and there are other issues of fairness and I've tried to raise those. There is also the question of whether this is the legitimate approach that needs to be taken to redress the problem that is addressed by this bill, and that is the relief of municipal taxes. And I think that there is another forum and I think that local authorities who have the jurisdiction should be those who are approached and who are forced, in effect, by weight of local opinion or public opinion, to make the necessary correction.

So, Madam Speaker, this particular bill, while it deals with an important issue, I don't think will receive unanimous consent; although as I've indicated I know many of my colleagues have already spoken in support of it and that's for their own reasons, and that's legitimate.

But, Madam Speaker, I don't feel at this point that I will be able to support this bill although I certainly believe that members on this side, who have held a contrary view, will be. And on an issue of this kind, I suppose that's as it should be.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Minister of Labour.

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

I, too, wish to add my words, few words, in respect to the principle that is at issue here in respect to this bill; and the principle put simply is, as my colleague the Minister of Education has indicated, one that centres on the concern for fairness.

I'm sure the Honourable Member for Emerson would agree that that's the major concern, that there should be some denominational colleges that have an exemption from being assessed for municipal school taxes, and others that are not, but it is in connection with that whole question of fairness that I want to add my words.

Members in this House will not be surprised to know that while I'm a very open and avowed democratic socialist, believing that the government has a responsibility to show leadership and be a positive influence in society, not the so-called heavy-hand that the Conservatives talk about, but one that stimulates

growth and is part of the social and economic well-being of a nation, I nevertheless am concerned about the greatest amount of freedom, intellectual and educational freedom, in society.

We were tested many years ago in this province; I suppose we'll continue to be tested in respect to our feelings about fairness and an appropriate balance for the role of the state or the province in education and the role of the family and private institutions in education. I have learned to respect and to love colleagues who, prior to my becoming aware of the issues, held different views about the role of parents in respect to education and the role of the state in respect to education.

Some of my colleagues who are in this House now recall that during the time that we were in government, between 1969 and 1973, there was a prolonged and very agonizing debate in respect to the whole question as to whether or not we would provide for greater fairness in respect to private and parochial schools in this province. There were great pressures on individuals to line up on one side or the other in respect to the concerns then. I chose to line up in favour of greater freedom and in favour of greater autonomy for our families and for church groups in respect to education.

I know, and respected the views of others who felt much more strongly in respect to the ongoing need for a strong public school system that any further assistance to private and parochial schools would be a weakening influence and one not to be desired, not one to be encouraged.

But, Madam Speaker, I, as a democratic socialist, have come to appreciate the great wealth, the great profound depth of social and political feeling that can be encompassed in all manner of religions. Madam Speaker, I say without equivocation that I would be proud to be a Roman Catholic, to have Bishop Remi De Roo as my priest. The Catholic bishops in this country have shown exceptional leadership in recognizing the need for a positive role of the state, a positive role in respect to the needs of individuals in society. They have set an example that is hard to equal in respect to a positive role of a religious body in society.

When I reflect upon the fact that not only do we have bishops like Remi De Roo but others in society today who are Roman Catholic, who are taking up a leading position in respect to speaking out on issues for common people and have indicated their dedication to the kind of initiative, that kind of social gospel, that led me into the democratic socialist movement, then I am persuaded that the kind of teaching, the kind of moral teaching that has been evidenced in the lives of those people, is something that I want to see more of.

Madam Speaker, we recognize I think, in this society, with horror the fact that there is more and more in our society an inclination to look at the Rambo-style of violence, an attitude that the "Might are the Right" and less compassion in our society.

Madam Speaker, what I have seen from people like Bishop Remi De Roo is a message of love and not hate, of a caring society. That's the kind of message, that's the kind of social gospel that J.S. Woodsworth talked about when he initiated the Cooperative Commonwealth Federation as a political force in Canada, and we as New Democrats inherited that commitment to social justice and fairness and decency.

Madam Speaker, when I approached a question in respect to fairness, I think of the commitment of others in respect to this issue, and I support that position. However, I respect the concerns of others who say, like my colleague the Minister of Education, but there are many other situations in society that cry out for reform as well. The whole question of fair assessment in this province is one that has been identified, identified very effectively, by a former Premier of this province, Walter Weir, who did an excellent job in reviewing the state of assessment in this province and making recommendations in respect to addressing the problems there.

But it's not a simple matter. We have seen within our city a situation where successive councils and mayors procrastinated, did not deal with assessment reform, and it was only through court initiative, actions taken by property owners in court, that finally led to a reassessment in the City of Winnipeg. That shouldn't be necessary, Madam Speaker.

I know that my colleague, the Minister of Municipal Affairs, as did my colleague, the previous Minister, one of the best Ministers that this province has ever seen as a Minister of Municipal Affairs, Mr. Anstett, the former Member for Springfield, initiated an activity to ensure that there will be the development of a fair assessment system in this province. But it is a complex problem; and municipal and local governments are concerned to ensure that there be a reasonable and ordered change in respect to assessment.

I know that my colleague, the Minister of Municipal Affairs, is working very hard to ensure the continuity of that reform that is necessary to bring greater fairness to assessment in this province, because no one in this Chamber can deny the fact that within each of our areas there are glaring examples of inequity and unfairness in respect to taxation.

The Minister of Agriculture, the Minister of Finance combined to confirm in the Budget Speech a provision to provide some greater fairness in respect to the farmers in this province, in respect to educational taxation, and I want to put that on the record, Madam Speaker.

We are concerned to provide fairness in respect to taxation. We know, Madam Speaker, that as the honourable member, the Minister of Education, pointed out that there are day cares in this province. They're not for profit day cares; day cares that are committed to try to ensure, to provide the best instruction for young people that are put in their care. They're not doing it for profit and yet they're faced with municipal property taxation, a further burden that they feel they should not have to face.

Well, Madam Speaker, the question comes, I suppose, one of timing. When should reform take place? Should it take place as provided for in this bill which provides some relief from an area of inequity which can be readily acknowledged, at least I acknowledge and I'm sure that many will acknowledge? Should we do it in that manner, or should there be a greater universality in treating the problem? Because there is not just one individual problem of inequity out there in respect to taxation and assessment. So what should be our approach? - that is the question.

We know that the Minister of Municipal Affairs has assured us that the process is ongoing, but it appears

to be taking a great deal of time. I know that honourable members opposite, as we are, are anxious and impatient to see assessment reform take place as quickly as possible. We have that commitment from our Minister, we have that commitment from the department, to move as quickly as possible, but it hasn't happened and the Honourable Member for Emerson and others are saying, well, it hasn't happened yet. Why shouldn't we pass this bill to provide relief to a group who are inequitably the victims of what is considered to be unfair assessment for municipal taxation?

That's a tough question to answer. We've all had to look at that. Do we do it for some and not for others? When do we do it? How shall it be timed? That's a difficult question for us, but it becomes profoundly more difficult, Madam Speaker, when an honourable member of this Chamber, the Honourable Member for Lakeside, heaps verbal abuse on members on this side, suggesting that somehow we're atheist, we're communist, we're everything despicable.

As the honourable member, the Minister of Health, has indicated it was like he was taunting us, daring us to vote against this bill, as if he was trying to undermine the work of the Honourable Member for Emerson. Now, I don't question the Honourable Member for Emerson's motives, but I certainly wonder about that kind of intemperate, antagonizing speech that the Honourable Member for Lakeside addressed when this bill was before us on another occasion.

Madam Speaker, honourable members on this side of the House approach matters with a concern for fairness, for reasonableness, and we will make our decision in respect to this bill on the basis of fairness and reasonableness, understanding that this is not a simplistic issue, that there is legitimacy to the concerns of people who are affected by taxation when others in a similar category are not. On the other hand, we know that there are many people who are paying taxes beyond what is reasonable because there has not been effective reassessment in this province. We shall make our decision on the basis of fairness and reasonableness, Madam Speaker.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Kildonan.

**MR. M. DOLIN:** It's with some concern that I stand to speak on the proposed Bill 17 and one of the reasons - well, there are a few reasons - is a fairly recent phenomenon which was recorded in Sunday's local paper. The headline is, "YM-WYCA deal to cost city \$700,000.00." -(Interjection)- Well, as a matter of fact, yes, it is the Free Press. As honourable members point out, I am taking a very considerable risk in using this article because of the possibilities of its inaccuracy. However, I think they may be accurate. If they are not accurate, I still have questions and I think that the Honourable Member for Emerson who brought up this bill might consider some of the points made here.

What is happening in the City of Winnipeg is the Salvation Army has bought the YM-YWCA and they are buying it to provide for the Catherine Booth Bible College, the only Salvation Army Bible College in the world, according to their spokesman. Now, I do not

see, No. 1, this organization mentioned as a possible exempt organization. They do exist now and I think operate on Assiniboine, and this would give them a larger facility. I do not see them as an exempt organization here which gives me some concern.

Then there is the other side. The other side is one of the reasons that the Salvation Army is purchasing this building is because the YWCA had gone \$700,000 in tax arrears to the City of Winnipeg, and it makes me think, Madam Speaker: Will the Salvation Army, Catherine Booth Bible College, when they purchase this building, be required to pay the same amount of taxes as the YM-YWCA was required to pay before they sold the building?

If not, under what circumstances would they be exempt? Will the City of Winnipeg be providing them with a grant-in-lieu and then the question that comes to my mind is: If they are willing to do so for this socially responsible organization with whom I have no question, why were they unwilling to do so for the YWCA?

We had an earlier resolution, Madam Speaker, which dealt with the International Year of the Homeless. We are taking a building with 160 units which has been used for transient women and turning it into a college with the approval and - according to this article, the Mayor of Winnipeg was going to make an announcement today on the purchase - if we do that and this is turned into a college, part of it may be student residences, I would assume for the students at the Catherine Booth Bible College but it will no longer be available for transient women in this, the International Year of the Homeless.

It will no longer be available to anyone aside from those people who are attending the Catherine Booth Bible College, or whether or not they're turning some of those transient shelter units into residences, I don't know. I really am not privy to the plans of the Salvation Army and I have no particular problem with the Salvation Army purchasing a facility in order to have a Bible college here in Winnipeg and I encourage that.

What I do have a concern about is 160 transient shelter units disappearing and I might point out, Madam Speaker, that the Province of Manitoba had an option on that building, should the Salvation Army not purchase it. So, we as the representatives of the people of this province in the International Year of the Homeless, could have purchased that building and provided shelter - not necessarily for women, not necessarily for men - but for those needy people in the International Year of the Homeless who do not have homes.

We no longer, if this deal goes through, have that option. I also question why, when we look at Bill 17, there are specific exemptions. And I have no quarrel, I might point out, with any of the exemptions. You have the Winnipeg Bible College, the Mennonite Brethren Bible College, the Canadian Nazarene College and the Canadian Mennonite Bible College, none of which I have any doubt whatsoever are doing the kind of work that we, as elected representatives and we, as members of Manitoba society, would want them to do.

We encourage them to do this kind of thing and there are ways of encouraging people. One of the ways and what has been suggested by the Honourable Member for Emerson in this bill is to provide them with a tax

exemption to show them that we are supporting - we, the representatives of the people of this province - are supporting them in the work they are doing.

However, since Sunday, and since thinking about this YM-YWCA operation of the Salvation Army, it leads me to a lot of questions. We, as members of the Legislature, want to support good works. In the bill on the International Year of the Homeless I made the point at that time, and I still hold to that principle, we as elected members have a responsibility to provide - not just encourage the private sector to do what must be done - but we have an obligation to provide.

I would suggest that we should have done something to ensure that we could purchase that building to provide 160 units of shelter. We are not in a position, unless the deal falls through with the Salvation Army, to do that at this point in time.

It makes me also question, why do we use the tax system to provide incentives and grants and encouragement to various educational, social, religious and recreational organizations? Madam Speaker, we had a commission on tax reform, real tax reform go around this country headed by a man named Mr. Carter, who then suggested, "A buck is a buck taxation." Perhaps we are moving in some direction towards that and basically saying economic stimulus, social programs should be funded by direct funding, not under the table, not by giving people tax exemptions or changing different tax status as is done with economic incentives to corporations, to mining corporations or to oil companies with depletion allowances, Madam Speaker. But perhaps we should be saying that all social organizations, religious organizations, Bible colleges, what have you, should be taxed. If we, as the government, wish them to be supported and encourage them in their work, we should give them grants. Now that is done in many circumstances.

In this circumstance, Madam Speaker, we are dealing with the recommendation in Bill 17 of the Member for Emerson who points out some specific institutions. Madam Speaker, I might point out that I am not satisfied with the delineation of just those institutions. If we wish to go this route, I want to know, Madam Speaker, why is the Catherine Booth Bible College not included in the exemptions? If this is the only one in the world - and I am absolutely certain that there is not one member on the Opposition benches or on these benches, who would question the work of the Salvation Army and the kind of things they do and the kind of people they work with, who are basically in this society the untouchables, the ones who social agencies do not deal with, the ones who government programs do not deal with, Madam Speaker. These are the people who nobody else wants to touch.

Yet, the Catherine Booth Bible College, which is teaching people how to perform the kind of works that the Salvation Army performs, I do not know, and there is nothing in this bill that they will be exempt. I also do not have an answer to my question: Why was not the YWCA exempt when they also were doing good works, Madam Speaker?

**MADAM SPEAKER:** I'm interrupting the honourable member, who will have seven minutes remaining when this item is again before the House.



**Tuesday, 23 June, 1987**

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Also, before we adjourn, may I point out to honourable members that today is the last day that Miss Erika Persun, one of our Pages, will be with us. On behalf of all the members, I'd like to wish her well in her future endeavours and her graduation this week, and thank her for her services to us.

The hour being 6:00 p.m., the House is now adjourned and stands adjourned till 1:30 p.m. tomorrow. (Wednesday)