



Second Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

40 Elizabeth II

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARR, James	Crescentwood	Liberal
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHEEMA, Gulzar	The Maples	Liberal
CHOMIAK, Dave	Kildonan	NDP
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	NDP
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 2, 1991

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

TABLING OF REPORTS

Hon. James Downey (Minister of Rural Development): Mr. Speaker, I have several reports that I would like to table.

I have the Annual Report for the Manitoba Water Services Board, 1989-90; Channel Area Loggers Ltd., 1989-90; Moose Lake Loggers Ltd., 1989-90; the Manitoba Municipal Board, 1990; and the Actuarial Report on the Insurance Fund for Employees of Participating Municipalities in Manitoba.

Hon. Eric Stefanson (Minister of Industry, Trade and Tourism): Mr. Speaker, I would like to table the Annual Report of Manitoba Industry, Trade and Tourism, 1989-90. I would also like to table the Manitoba Research Council Annual Report, 1989-90.

MINISTERIAL STATEMENTS

Hon. Eric Stefanson (Minister responsible for Sport): I would like to make a ministerial statement.

Mr. Speaker: It appears the honourable minister has only brought in one copy. I believe it is a very short speech.

Would the House have any objection to the honourable minister making his remarks with the one copy at hand? Leave? Agreed.

Mr. Stefanson: Thank you, Mr. Speaker, and thank you to the House.

I think, as everybody is aware, Winnipeg and Manitoba have just hosted the Men's and Ladies' World Curling Championships.

I think, as we are all aware, that record crowds attended this first-class event, with approximately 250,000 people in attendance.

I would like to take this opportunity to congratulate the ladies' world champions from Norway and congratulate the men's world champions from

Scotland. I also would like to congratulate both the Canadian men's team from Alberta and the women's team from British Columbia for both winning silver medals at the World Curling Championships.

Also, congratulations to Mr. Al Macatavish, the chairman of the Winnipeg World Curling Committee and the 1,800 volunteers who staged such a fine curling event. Staging an event of this magnitude and importance was by no means an easy task, Mr. Speaker. The Winnipeg World '91 committee supported by the Manitoba Curling Association and the Manitoba Ladies' Curling Association provided the leadership. The opening and closing ceremonies were first class, and everyone in Manitoba should feel proud of their city and province. Once again, the spirit to excel has been exemplified here in Manitoba. Winnipeg and Manitoba have been reconfirmed as the curling capital of the world.

* (1335)

Mr. Jerry Storie (Filn Flon): Mr. Speaker, I assume that the remarks of the minister could have perhaps been justifiably read under nonpolitical statements.

Mr. Speaker, the World Curling Championships have been held in our fair city previously. I think, however, the organizing committee of this particular event needs to be congratulated. This has been exceptionally well run and exceptionally well received by the thousands of people who attended the championship.

We were all somewhat disappointed at the results in that the two Canadian teams did not fare as well as we might have hoped. Nonetheless, the arena was full, and I am sure that all those who were in attendance appreciated the level of competition.

Mr. Speaker, we certainly recognize the impact of this prestigious event on our economy. There is no doubt that it has had a positive economic impact. I hope that the Minister responsible for Industry, Trade and Tourism (Mr. Stefanson) does not confuse this, however, with the real need to get on with economic development, the creation of manufacturing jobs. In the face of layoffs

announced yesterday and the potential loss of another 150 jobs, these events become more significant, and perhaps we should, now that this event is over and we have applauded ourselves, get on with the very busy work of ensuring that we see some economic growth in other sectors in our economy.

Mr. Gulzar Cheema (The Maples): Mr. Speaker, we would also like to join with the minister and the members of this House in congratulating the Winnipeg community and the Manitoba community who have shown a tremendous amount of courage. They have shown their true friendship and it reflects our community as a very friendly community. I do not think there are any winners and losers in the games, and the games always bring the best among people. I think that is the thing we should always remember.

TABLING OF REPORTS

Hon. Harry Enns (Minister of Natural Resources): Mr. Speaker, I have the pleasure of tabling the Annual Report of Venture Manitoba Tours Ltd. and, as well, the Annual Report of the ministry of Natural Resources.

Hon. Glen Cummlings (Minister of Environment): Mr. Speaker, I would like to table the first Waste Reduction and Prevention Strategy Report.

ORAL QUESTION PERIOD

Tender Process Procedure Changes

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, the public tendering process, as all members of this Legislature know, is one of the key issues of ethical government and the way in which it handles in a public and open way the tendering that goes on with government business.

Mr. Speaker, my question is to the Premier as head of Treasury Board. Who is the person in government who changed an open public tender process that went on for nine months and had a list of companies that were proposed by the government, one of which was owned by a numbered company, some of the principals being Mr. Shenkarow and Mr. Kozminski as allegedly one of the last bids?

Who changed that nine-month open process to a closed proposal call of nine days where allegedly

now the same people who were coming last or close to last are allegedly at the front in terms of the government award of this very, very lucrative contract?

Hon. Gary Filmon (Premier): The complaints that the member is basing his allegations on, of course, are complaints that have been dealt with in a lawsuit by one of the bidders who suggested that somehow he was improperly dealt with. I might say to you that this particular proposal was based on the original call for tenders, seventh on one aspect and ninth on the other aspect, so no way was this particular proposal even close to being acceptable to the government in terms of price. The complainant's proposal, I might say, would have cost substantially more than that which the government received. We are talking in terms of \$600,000 more of taxpayers' dollars if we had followed the proposal that is being put forward by the Leader of the Opposition.

Now the NDP may have wanted to deal in those terms, Mr. Speaker. They may have wanted to have the taxpayer pay \$600,000 more for the accommodation for the Department of Housing, but this administration would not like that to be the case. We want to get the best value and the best buy for the taxpayer of Manitoba. After going through an original tender process in which a number of the bids that were better than the complainant's bid were thrown out for good and valid reason, one being that one could not provide the financing and others being withdrawn by particular proposals, it then became time dated. In fact, the proposals that had been put forward were now some six months old and had to be reviewed again. Under those circumstances, it was felt that people should be asked to propose their bids again and to reconfirm the new proposals. Under those circumstances, the best bid was chosen.

I am saying to the Leader of the Opposition that if he wants us to spend \$600,000 more to have one of the bidders whom he wants to have get the bid—

Mr. Speaker: Order, please.

* (1340)

Mr. Doer: Mr. Speaker, I asked the Premier whether he was the one who changed the open public tendering process of nine months to a closed bid process. I never made any allegation about which company should get the bid or not. I asked the Premier a direct question which he refused to answer.

My question to the Premier was: Was he the one, as head of Treasury Board, who changed a nine-month open public tendering process to a nine-day closed bid process, and why did he change that, given the fact that Manitoba of course has had problems with tendering before?

We are the ones who are fighting for a public open tendering process. We witnessed the CF-18, Mr. Speaker, when Manitobans were victimized by the federal Conservative government. Surely this Premier would have an open public tendering process so the allegations coming in from a number of sources would not be on the public record.

* (1345)

Mr. Filmon: Mr. Speaker, the short answer is no, I did not change the process; no, Treasury Board did not change the process.

The Department of Government Services, in its responsibilities to come up with the best buy for the taxpayer of Manitoba, felt that it was in the interests of the taxpayer of Manitoba to ask, after a number of months in which the proposals had become, I would say, stale, in the sense that interest rates had changed and all sorts of things had changed, for new proposals to be put forward, either confirming the old proposals or putting in new proposals to reflect the changing circumstances of nine months of review of the circumstance.

I would say to you that almost any tender that has been put forth that long earlier has to be reconfirmed. Otherwise, it cannot be assumed that all of those who put in prices nine months earlier under different interest rates, under different costs of construction and renovation should -(interjection)- Mr. Speaker, we were dealing with the proponents and the proposals that had been put in before. We were dealing with proposals that had been called for before, and the Department of Government Services went forward and suggested that they could be reconfirmed, and those proposals were.

The person who is the complainant, who is being supported by the Leader of the Opposition, his proposal would have cost \$600,000 more for the taxpayer of Manitoba. I do not believe that those are circumstances that should be supported by any political party, no matter how wrong-headed the political party may be.

Mr. Doer: Mr. Speaker, again the Premier keeps trying to detract from the issue here of who changed

an open public tendering process of nine months into a closed bidding process of nine days. That is the issue, and I would suggest very strongly that documents indicate Treasury Board made that decision, and the Premier is head of Treasury Board.

Audit Request

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, I would ask the Premier: In light of all of our concern about the integrity in terms of the public tendering process and in light of a number of companies concerned about the process that this Premier is now in charge of, will the Premier now refer this whole tendering process related to this building to the Provincial Auditor for an independent review so that we can be assured that the public tendering process has its integrity in Manitoba?

Hon. Gary Filmon (Premier): Mr. Speaker, the Provincial Auditor does review all of the actions and procedures of this department. The courts have already reviewed the procedure as to whether or not anything was wrong, and they have ruled in favour of what the Department of Government Services did and said they did not breach anything legally.

Secondly, that matter was referred to the chief of Real Estate Division of the federal Public Works Canada to see whether or not the analysis done was a proper and complete analysis, and the response was yes, it was.

The fact of the matter is, this has been reviewed by independent authority and has been found to be absolutely clean and above board, Mr. Speaker, and it is only the Leader of the New Democratic Party who would like to have us pay \$600,000 more to one of his friends, I can only assume to have this building contract go to another tenderer, who was not the low tenderer.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Mr. Speaker, I realize that members have been away for the week and may have forgotten some of our basic rules. Beauchesne is very clear that answers should deal with the matter raised. It is very clear the Leader of the Opposition was raising concerns about the tendering process and at no time ever made any remarks in regard to any specific bids being the right or the wrong bids. I do not think the Premier should be attributing any

motives to the Leader of the Opposition and should withdraw those remarks that he made on the record.

Mr. Speaker: The honourable member did not have a point of order.

Core Area Initiative Land Market Value

* (1350)

Ms. Jean Friesen (Wolseley): Mr. Speaker, my question is for the Minister of Urban Affairs.

Last Friday the minister and Mr. Epp met and agreed to freeze approximately \$200,000 in the social service programs of the Core Area Initiative to pay for unnamed land costs. I would like to ask the minister today to table a list of the specific lands which he is looking at and to explain to the House exactly how these lands have increased so dramatically in value in the Winnipeg market of the last year.

Hon. Jim Ernst (Minister of Urban Affairs): Firstly, Mr. Speaker, it was not last Friday we met with Mr. Epp and the mayor. It was a week ago Saturday.

Secondly, I will be happy to provide the member—I do not have them with me, but I will be happy to provide the member with a list of those outstanding expropriated properties that are in question.

Thirdly, if anyone wishes to reflect on the whole Core Area Initiative process, you will understand that these lands were expropriated in 1981 and subsequent years, not in the last year. It has nothing to do with last year's land prices. It has to do with the land prices at the time that they were expropriated, back in '81. It has to deal with the question of disruption of service, business interruption, legal costs, appraisal fees and a variety of other costs associated with the expropriation process.

All of those things, when combined, have yielded a sum greater than was originally anticipated during the expropriation proceedings.

Ms. Friesen: Mr. Speaker, I would like to thank the minister for the answer. We look forward to seeing that list and the accounting procedures that go with it.

Funding Redirection

Ms. Jean Friesen (Wolseley): The programs that are being frozen affect the hardest hit people in our

community. Given this, why is the minister prepared to transfer vital money from direct services to people to capital projects, in complete contradiction of the past principles and practices of the Core Area Initiative?

Hon. Jim Ernst (Minister of Urban Affairs): Mr. Speaker, we have made no such decision. What the policy committee decided was, in terms of—well, I guess you have to back up one step.

The Core Area Initiative agreement was to have expired the day before yesterday. There was an agreement amongst the three parties to extend that for a year so that we had some opportunity to consider reallocation of monies not yet spent in order to meet all of the priorities of the Core Area Initiative agreement.

There was \$6 million contained in the social services agreement. There is approximately \$200,000 of that that has been—if you want to use the term "frozen," then use the term "frozen"—\$200,000 of that \$6 million, or about 3 percent, has not been allocated, along with a lot of other money that has not yet been allocated under a variety of programs, not just that particular program.

All of those programs will be considered once we have a better feel for the final land costs that are going to come in under the agreement. We have a budgeted amount. We have to live within that budgeted amount.

Renewal

Ms. Jean Friesen (Wolseley): Mr. Speaker, my final question for the same minister is: In view of the uncertainty and anxiety that this minister has created for inner-city people, is he prepared now to announce any plans he may have for the renewal of the Core Area programs and for the inner-city inhabitants?

Hon. Jim Ernst (Minister of Urban Affairs): Mr. Speaker, the Core Area Initiative agreement No. 2 has been extended for a year. One of the purposes of extending that agreement for a year was to determine what next can be done in conjunction with the city and the federal government, and we will be pursuing that over the next period of time.

Tender Process Letter of Intent

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, the abuse of the

tendering process of this government smells. It smells of the rotten odour of Tory patronage.

Mr. Speaker, the initial bids which this government received were from a low of \$53.64 per square metre to a high of \$78.21 per square metre, the bid of Messrs. Kozminski and Shenkarow. The government of this province sent a Letter of Intent to an offer at \$66.87.

Can the government tell us today through the Premier why that Letter of Intent was withdrawn and new bids were asked for, particularly from a company which would have cost \$4 million over 10 years?

Hon. Gary Filmon (Premier): Mr. Speaker, the individual who is complaining about the bids, who both the Liberals and the New Democrats are supporting, is complaining about acceptance of a bid which, on the first round, because there were two different alternatives, ranked seventh in one alternative and ninth in the other alternative and then, even in the second round, did not rank in the top two and, under those circumstances, never, never was the best bid and always was far more costly for the taxpayer of Manitoba.

That is not the way to do business, to accept a more costly bid. We would have been raked over the coals in this Legislature for accepting a more costly bid from the tender process. Anyone who is involved in tenders knows that the process - (interjection) - Mr. Speaker, obviously the member for St. James (Mr. Edwards) does not want to listen to the answer. I will let his Leader ask another question.

* (1355)

Second Proposal Call

Mrs. Sharon Carstairs (Leader of the Second Opposition): You know, the Premier sits from his seat and would try to make the Leader of the Opposition and myself into friends, but I very specifically indicated who received the bid, who received the Letter of Intent. It was not Mr. Hughes whom he accuses of being our friend; it was in fact a company called Continental.

The question to the Premier is: Why did they decide to toss out all of the bids and begin again? Why were all of the bidders not informed? Why were they only given nine days to return bids?

Hon. Gerald Ducharme (Minister of Government Services): To the member, first of all, there were

14 original proposals. The first two withdrew. The North American Life Assurance Company withdrew theirs. Continental could not come up with the financing. The time lapse, we called a second proposal call and, of that second proposal call, we have seen nine proposals. Hughes put in two proposals. The second round, Investors building was first, Great-West Life was second, and Hughes was third on that proposal, and a distant third, as outlined by the Premier.

Mrs. Carstairs: Mr. Speaker, it is a convenient situation when they seem to come in with one of the highest bids and all of a sudden they come in with one of the lowest bids. They were highest under a tendering process and just by some miracle of nature, they are lowest in a nontendered process.

Can the minister explain just how that miracle occurred?

Mr. Ducharme: Mr. Speaker, it is ludicrous to hear a member from the opposition suggest and also, of all the proposals on the second proposal call, that was the lowest tender, the one that has been suggested by Government Services, to the tune of \$250,000 and \$700,000 on the other side.

Tender Process Audit Request

Mr. Jerry Storie (Flin Flon): Mr. Speaker, it is becoming increasingly obvious that what we are into here has nothing to do with costs, cost containment and good management, and everything to do with politics. The First Minister (Mr. Filmon) of all people should be aware that public tenders, where there is no acceptable bid, have on many occasions and normally are retendered publicly. That is not what happened here.

My question is to the First Minister. Given the obvious inequity, given the fact that there appears to be some political connection in the awarding of this tender, will the First Minister, as he has asked on other occasions when he was on this side, now appoint a special auditor to determine the circumstances under which this new private bid was allowed and which the apparent friends of this government were awarded a bid?

* (1400)

Hon. Gary Filmon (Premier): I categorically reject any and all accusations of impropriety in this situation.

Mr. Speaker, all of these matters can be reviewed, and the Minister of Finance (Mr. Manness) will be happy at Public Accounts on Thursday to have the Auditor respond to questions.

If the opposition are saying that when we have a tender process that is (a) outdated by many, many months, (b) produces a result that is in our judgment too costly for the province to accept, then we—(interjection)—

Mr. Speaker, the fact of the matter is that the proposal that we accepted was hundreds of thousands of dollars less of taxpayer money. It was accepted for that reason, accepted for that reason and that reason alone. It was acceptable space, met the standards that we were looking for and was hundreds of thousands of dollars less expensive.

If what the Liberals and the NDP say we should do is to pay hundreds of thousands of dollars more just so we can satisfy their political agenda, we will not do that.

Mr. Storle: Mr. Speaker, this First Minister has—

Point of Order

Hon. Clayton Manness (Government House Leader): On a point of order, Mr. Speaker.

The member for Flin Flon had a very generous preamble to his first question. I would ask him to come to his point and put his supplementary question in a straight, concise fashion. Thank you very much.

* * *

Mr. Storle: The First Minister has had many opportunities this Question Period alone to do what is right.

Tender Process Audit Request

Mr. Jerry Storle (Flin Flon): My question to the First Minister is: Will he now appoint a special investigator, a special auditor, to investigate the circumstances surrounding the awarding of this tender in a nonpublic process which violates the general administration rules of the government of Manitoba? Will he now undertake to correct that error and protect the interests of Manitoba—

Mr. Speaker: Order, please. The question has been put.

Hon. Clayton Manness (Minister of Finance):

Mr. Speaker, I invite the member to be in attendance at the Public Accounts meeting, Standing Committee on Public Accounts, Thursday morning. The Provincial Auditor will be in attendance. I invite the member for Flin Flon to pose that very same question to the Provincial Auditor. I look forward also to the Provincial Auditor's response in this matter. I will give him some notice today to forewarn him that probably this type of question will be coming from the member so that he may, in the short period afforded to him over the next two days, look into the situation.

Mr. Storle: Mr. Speaker, we appreciate that information from the Minister of Finance.

Tender Process Audit Request

Mr. Jerry Storle (Flin Flon): My question is further to the Minister of Finance or to the First Minister. Will the investigation go beyond the question of whether after the second closed bid there was a reduction in the bid from the company in question? Will it go to the question of why the tender was cut off in the first place, why the public tender was not allowed to be reintroduced a second time or a third time, if necessary, so that we could end up with a tender which had been arrived at at a public process, which was in the best interest of the taxpayers of Manitoba?

Hon. Gary Filmon (Premier): Mr. Speaker, I will repeat this. Firstly, the matter has already been reviewed by a court that found no wrongdoing in it.

Secondly, the process has been reviewed by the federal Public Works Department official who does exactly that for the federal government—no wrongdoing, no fault in the process.

Thirdly, the matter is now going to be addressed by the Provincial Auditor so that you can ask any questions that you want to ask about the analysis that was done, the comparisons that were done. —(interjection)— Mr. Speaker, if the Provincial Auditor cannot be trusted, then who do you trust?

They are trying to muddy everybody in this process. This is for your political agenda. This is not for the truth or the results.

Personal Taxation Increase

Mr. Leonard Evans (Brandon East): Mr. Speaker, during the last election, the government promised it would hold the line on taxes, and I refer to a press release by the Premier dated September 7, "in renewing his tax pledge, Filmon said his government will continue to hold the line on taxes."

Mr. Speaker, will this government keep its promise to the people of Manitoba to hold the line on taxes and, specifically, I ask: Is the Minister of Finance now planning to harmonize the provincial sales tax with the GST, further adding to regressive taxes in this province?

Hon. Clayton Manness (Minister of Finance): It must take some considerable gall for the member of the NDP to stand in his place and ask a question on taxation. The member for Brandon East can wave around anything he wants. The reality is, this government has not increased taxation in having brought down three budgets to date.

Surely the member knows, having been a veteran of this House for 20 years plus, that I find myself in a privileged situation, given that we are only a few days away from the presentation of a budget to the people of this province. I know he would not want in any way to reflect upon the budgetary decisions.

I can assure him that every area of taxation at one time or another is reviewed, as is the course, as is the normal practice, practised by every government in the land. I can also assure him with complete certainty that there will be no increase in personal taxation, as stated in the budget that is coming.

Goods and Services Tax Sales Tax Harmonization

Mr. Leonard Evans (Brandon East): Mr. Speaker, that answer is rather ominous with regard to the harmonization process.

I would like to ask the minister: Has the minister advised Mr. Michael Wilson, the federal Minister of Finance, that Manitoba has not changed its previous position and will not harmonize the GST with the provincial sales tax?

Hon. Clayton Manness (Minister of Finance): Again, Mr. Speaker, the member tries to draw out of me responses that he knows is not proper for me to speculate, but I can give him a very short answer to his question.

I have not addressed a harmonization issue with Mr. Wilson at all in the course of the last four months.

Effect on Manitoba Economy

Mr. Leonard Evans (Brandon East): Mr. Speaker, I have a supplementary.

Does the minister have any estimates of the extent to which the GST is hurting the Manitoba economy? Specifically, does the minister have any idea, any estimates of revenue being taken out of this provincial economy by the GST?

Hon. Clayton Manness (Minister of Finance): The member I think asked that question some two years ago—one year ago. At that time, it seemed to me that over a provincial economy of \$20 billion, and at 7 percent, if indeed \$20 billion of our economy has a 7 percent tax applied against it, roughly \$140 million would be withdrawn from the economy of Manitoba as a result of the federal goods and services tax.

Core Area Initiative Funding Redirection

Mr. James Carr (Crescentwood): Mr. Speaker, my question is to the Minister of Urban Affairs.

Because this government twiddled its thumbs for 18 months, there has been no renewal of the Core Area Agreement. Now we find that funds which were being steered toward the social services have been redirected to fund capital and expropriation costs.

Can the minister justify to this House why that decision has been taken?

Hon. Jim Ernst (Minister of Urban Affairs): First of all, Mr. Speaker, I reject categorically the preamble of the member for Crescentwood.

As I indicated in my earlier answer today, no money has been redirected anywhere at the present time. What we said is, we have only X number of dollars to spend within the \$100 million of the Core II agreement. Mr. Speaker, we cannot exceed that amount. That is the amount of money that was put forward and is signed on the dotted line for.

We have certain costs associated with that, costs that in 1981 were not contemplated. Nonetheless, we have those costs that we have to deal with. So we have simply said, before we spend any more money in the final phase, in the wind-down phase of the Core II agreement, we had best find out what our

best estimate is for those costs prior to the end of the agreement so we do not overexpend the total amount.

* (1410)

Mr. Carr: Mr. Speaker, we learned this morning that of the \$18 million that is committed but not yet spent for the payout of the Core Area Agreement, some \$1.4 million was directed towards heritage structures in the Exchange District to facilitate partnerships with the private sector.

Can the Minister of Urban Affairs confirm that these funds, too, have been diverted to pay for these capital costs?

Mr. Ernst: Perhaps, Mr. Speaker, my honourable friend from Crescentwood is hard of hearing.

No money within the Core Area Initiative has been diverted anywhere. What I said just in my previous answer and some time ago in my earlier answer was, the allocation of that money has been stopped until such time as we have a better handle on what our ultimate land costs are going to be associated with the Core Area Initiative expropriations. Once we know that, and the anticipation is sometime around June or July, once we have that better understanding of where those costs are going to ultimately arrive at, then we will be free to deal with the balance of the money under the agreement.

Mr. Carr: Mr. Speaker, we would like to know from the minister which groups are going to suffer. Will it be skills training for Native people in the core? Will it be people who are lining up for food and opportunities in this very tough climate, partially in response to the kind of climate being created by this government?

Just what kind of message is the Minister of Urban Affairs sending to the people who live and who are now suffering in the inner city of Winnipeg?

Mr. Ernst: Mr. Speaker, as I indicated to my honourable friend a moment ago, there is \$100 million in the Core II agreement. The federal government has agreed to that. The City of Winnipeg has agreed to that. The Province of Manitoba has agreed to that.

We will not be exceeding that expenditure until we have a better understanding of what those ultimate expropriation land costs will be, not foreseen in 1981, that have to be dealt with today, because we have to live within the amount of the Core Area

Agreement. Then we will be able to make certain allocations of the balance of the funds available.

RCMP Services Discussions - Western Premiers

Mr. Dave Chomlak (Kildonan): Mr. Speaker, the federal government has adopted the same offloading strategy affecting RCMP costs as the province has adopted to the school boards affecting their costs.

My question for the Premier is: Why, at the most recent Western Premiers' Conference, did the Premiers talk about a series of issues affecting western provinces but nothing about the effect of the RCMP cutbacks on western provinces and their strategy to deal with it?

Hon. Gary Filmon (Premier): Mr. Speaker, at every opportunity that we have had to meet at Western Premiers' Conferences, we have talked about the offloading. It has been in our statements. It has been in my presentations to other Premiers. Every time, we have raised that issue. I know that my colleague the Attorney General (Mr. McCrae) can confirm that whenever we have had Western Premiers' Conferences, that has been an agenda item that we have talked about. It is one of the offloading references that we have made with respect to the federal government.

Provincial Police Force Government Study

Mr. Dave Chomlak (Kildonan): Mr. Speaker, my supplementary is to the Premier as well.

Will the Premier table any studies or costs on the status of his plans for a provincial police force? Has the matter been raised by the executive level interdepartmental committee?

Hon. James McCrae (Minister of Justice and Attorney General): The honourable member, I assume—and, by the way, I should say, Mr. Speaker, I am delighted to see that he is finally taking an interest in the issue of the federal offload of RCMP costs on provinces, territories and municipalities. This issue has only been going on since 1987. Some of those years, of course, were years of NDP government in this province. I remind the honourable member that it was an NDP Attorney General who in 1981 signed the last agreement, which raised the cost-share for the provinces up to

70 percent, and we are beginning to wonder about the appropriateness of that level.

If the honourable member is suggesting that there ought not to be any contingency plans or any plans as to how governments ought to proceed should there be a continued intransigence on the part of the federal government, then I just do not want to be part of that strategy. We are looking at all the options that are available to us.

RCMP Services Municipality Funding

Mr. Dave Chomlak (Kildonan): Mr. Speaker, my final supplementary is to the Premier or the minister who attempts to answer the questions. Given the fact that RCMP costs increased last year by 15 percent in this province approximately and funding for municipalities will go down by at least 13 percent next year, what plans if any has this government made to deal with the increased costs by municipalities and local governments as a result of their failure to negotiate agreement?

Hon. James McCrae (Minister of Justice and Attorney General): I can refer again to 1981 when the Attorney General, as he then was, the Honourable Gerry Mercier, did not want to sign the agreement that was reached by the provinces, territories and the federal government. The new Attorney General sworn in, I take it in November or December of 1981, wasted no time in signing an agreement with their Liberal friends over in Ottawa.

So the honourable member, if he is suggesting that we are not taking a strong enough stand in our dealings with the federal government, I suggest he stay tuned and maybe look back on the events of the last number of months and years since this government took office, in standing strong for Manitoba against a federal government that wants simply to offload its responsibilities on the provincial government.

Racism Investigations Status Reports

Ms. Marianne Cerlill (Radlsson): Mr. Speaker, my question is for the Minister of Justice.

This government has made numerous statements about being committed to eliminating racism, and there seem to be a number of opportunities for them to demonstrate that commitment. We have been experiencing an

increase in the incidence of latent racism with hate literature that is being distributed, with the increase of recruitment by the KKK, with today the report of somebody being shot, which was racially motivated.

Is the Minister of Justice aware of this trend, and what action is he taking to deal with it?

An Honourable Member: Is that in order?

Mr. Speaker: The second part is in order.

Hon. James McCrae (Minister of Justice and Attorney General): If the honourable member has some information I do not have about KKK recruitment practices, I would be very, very happy for her to let me know or to let the police authorities of this province know about that, because as the honourable member would know, there has been an investigation into that matter. The information the honourable member has might be more usefully shared with those who are in a better position to do something about it, i.e., the police departments across this province.

Information Release

Ms. Marianne Cerlill (Radlsson): I would like to think that the minister would inform the House and the people of Manitoba of ongoing progress of those investigations, and I would like to also ask that the minister make a commitment to make any reports and investigations into these racially motivated incidents open to the public. Can the minister make that commitment?

Hon. James McCrae (Minister of Justice and Attorney General): I know the honourable member is trying to be helpful, and I do appreciate that, because I recognize that every single member in this House has the same position on issues dealing with hatred and racism as I do, so I put that clearly on the record.

Let me also say that if we were to be making ministerial statements and informing the House on the step-by-step process of investigations in this province, we might never ever catch anybody for committing crimes, because we would telescope to those people out there that we are telling them exactly what we are doing. I would say that would make detection much more difficult and make it easier for wrongdoers, for hatemongers, for criminals out there, make them understand that they are being watched and they would be more careful, making detection much more difficult.

I appreciate the honourable member's concern, but I suggest that step-by-step outlines of investigations that are underway is not a useful way to get a successful conclusion.

Community Involvement

Ms. Marianne Cerilli (Radisson): The investigation that the minister is referring to has been going on since October, and we are seeing that there is an increase in the number of incidents of racially motivated literature and propagating hatred against members of the community. Members of the community being affected by these incidences would like to be involved in solving the problem.

Can the minister make a commitment to involving the police and members of the community groups suffering from these incidents? Can he make a commitment to involving them in the process?

Hon. James McCrae (Minister of Justice and Attorney General): That was done in October, Mr. Speaker, and that involvement is not over. Back in October the Manitoba Intercultural Council members met with City of Winnipeg Police, RCM Police, the Justice Department, the Department of Culture, Heritage and Citizenship. Working together, we think that we can get more done.

I would caution the honourable member not to place all of the eggs in one basket. You know, if we are depending on a certain investigation and honourable members want repeatedly to talk about publicly and in this House while the investigations are going on, then we clearly ought not to be placing all our eggs in that basket.

There is the issue of education and doing everything we can to promote a tolerant society, which I suggest to some measure of success has been accomplished in Manitoba but, on the other hand, as long as there are racist incidents, it is cause for concern. There have been reports of incidents, but we do not know yet whether that means that there are increased numbers of perpetrators of hatemongering in our province, so the honourable member should join with me in awaiting the outcome of the present investigation on that aspect. She should join with me in supporting education efforts and supporting efforts by human rights commissions and others across the country in trying to create a more tolerant—

Mr. Speaker: Order, please.

* (1420)

AIDS Statistics Infection Rate

Ms. Judy Wasylycia-Lels (St. Johns): Mr. Speaker, back on December 12, 1990, the Minister of Health said that there was a lot less publicity, public information and concern about AIDS, because in fact there had been a levelling off of the incidence of AIDS.

I am wondering if the minister, in view of the information that was released over the weekend in terms of studies on the rate of the AIDS virus infection showing that a possibility of eight times the number of people are infected with HIV, on the basis of that is prepared to recognize the seriousness of the problem now and to redouble the efforts of this government to deal with a very serious problem that is becoming very much a widespread problem in all parts of our society.

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I very much appreciate my honourable friend's question, because this government in some two-and-a-half-plus years has put a significant effort into understanding the disease AIDS and into helping the public at large and specifically high-risk groups of Manitobans to be able to avail themselves of knowledge, of education and of methods of preventing their contracting an incurable and probably fatal disease.

Mr. Speaker, part of that process was the two blind studies, one of which—I guess actually both were reported just recently—blind studies that were designed as explained in questions from the critic of the second opposition party to attempt, through an unidentified study of spent blood samples, to indicate just how prevalent the AIDS virus might be in the general population.

Preliminary indications from those statistics—and I cannot be any more fully informed, because I simply have not been briefed by Dr. Hammond, one of the participants in the study, but clearly Manitoba has good news in those studies, and I am willing to share that with my honourable friend.

Mr. Speaker: Time for Oral Questions has expired.

Committee Changes

Mr. Edward Helwer (Gimli): Mr. Speaker, I have some committee changes.

I move, seconded by the member for St. Vital (Mrs. Render), that the composition of the Standing Committee on Economic Development be amended as follows: the member for Kirkfield Park (Mr. Stefanson) for the member for Riel (Mr. Ducharme) and the member for St. Vital (Mrs. Render) for the member for Niakwa (Mr. Reimer).

I move, seconded by the member for Niakwa (Mr. Reimer), that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: the member for Rossmere (Mr. Neufeld) for the member for Ste. Rose du Lac (Mr. Cummings) and the member for La Verendrye (Mr. Sveinson) for the member for St. Vital (Mrs. Render).

I move, seconded by the member for St. Vital (Mrs. Render), that the composition of the Standing Committee on Public Accounts be amended as follows: the member for Sturgeon Creek (Mr. McAlpine) for the member for Pembina (Mr. Orchard) and the member for Lakeside (Mr. Enns) for the member for Arthur-Virden (Mr. Downey).

Mr. Speaker: Agreed? Agreed.

Mr. George Hickes (Point Douglas): Moved by the member for Point Douglas, seconded by the member for Interlake (Mr. Cliff Evans), that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: the member for Point Douglas (Mr. Hickes) for the member for Elmwood (Mr. Maloway) and the member for Flin Flon (Mr. Storie) for the member for Brandon East (Mr. Leonard Evans).

Mr. Speaker: Agreed? Agreed.

ORDERS OF THE DAY

Hon. Clayton Manness (Government House Leader): Mr. Speaker, I would ask that you call second readings of Bill 5 and Bill 6. If there is still time remaining before private members' hour, I would indicate at this time it would be my intention to seek the leave of the House to introduce for second reading Bill 8 and Bill 33.

SECOND READINGS

Bill 5—The Mental Health Amendment Act

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I move, seconded by the Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson),

that Bill 5, The Mental Health Amendment Act; Loi modifiant la Loi sur la santé mentale, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Orchard: Mr. Speaker, I am pleased to present to the House, Bill 5, which was distributed, I believe Friday, prior to our adjournment for the midterm break and the Easter weekend. Bill 5 has a rather long history that I want to share with my honourable friends in the House. I have already in December shared with my two honourable critics, the member for St. Johns (Ms. Wasylycia-Leis) and the member for Kildonan—pardon me, the member for The Maples (Mr. Cheema). God forbid that I would confuse the member for The Maples with the member for Kildonan (Mr. Chomiak).

I shared the amendments at that time with my honourable friends, the member for The Maples and the member for Kildonan, and if a page were available, I would like to give to my honourable friends the amendments that are being proposed here, the existing legislation, the proposed amendment and the rationale and the attempt behind those amendments so that my honourable friends can follow with, I think, a greater deal of clarity and ease all of the 58 amendments that are being proposed in The Mental Health Act.

(Mrs. Louise Dacquay, Deputy Speaker, in the Chair)

There are some of us in the House for whom the amendments to The Mental Health Act are rather a long-standing issue. I want to reflect back to 1987 when—I wonder if I might have the page distribute this to my honourable friends, Madam Deputy Speaker. The existing Mental Health Act was amended and received Royal Assent for those amendments July 17, 1987.

The reason for those amendments in 1987 were that certain provisions of the act, particularly around the rights of patients in terms of involuntary admission to a mental health facility, were challenged and were found to be unconstitutional. That put the former government, the then government on a rather rapid course necessitated by the striking down of certain parts of the act to bring forward amendments. I do not fault the process or the ensuing difficulties but that process was a very, very quick one without a lot of consultation. I can recall, along with my deputy

critic at that time who has seconded the bill today for me, that the committee consideration of those amendments occurred between 3 a.m. and 5:30 a.m. one evening of Law Amendments Committee -(interjection)- and as my honourable friend, the Minister of Natural Resources (Mr. Enns) indicates, a particularly productive time of day.

We were in the final stages of the session that year, and these amendments had to be passed. Many presenters had to wait until not the wee hours of the morning but in fact the large hours of the morning before they could be heard at public representation Law Amendments Committee. I think that sort of typified the process. Because there was haste caused by successful constitutional challenge to the provisions of the act, amendments had to be made rather quickly. In the haste of making those amendments, I think it is fair to say that there was really not adequate time to consider the implications of those amendments and how they might better the problem identified through the court challenge.

It is also fair to say that some of those provisions were indeed found wanting subsequent to conference of royal assent on the amendments in 1987. That led us to a process which we embarked on in 1988, to try and bring these inadequacies in the legislation proclaimed July of 1987 so that we could correct some of the oversights made, due primarily to the hasty process by which the legislation was brought forward by the government at that time.

Two committees were established. The two committees were struck with a task of trying to correct some of the inadequacies that were in the 1987 legislation. The first committee was the Minor Amendments Committee and was basically an internal committee of government chaired by the Chief Provincial Psychiatrist, Dr. Don Rogers.

It recommended to government minor and technical amendments which would make the legislation more workable. It did not change the intent or the philosophy of the legislation. It simply reinforced through better legal wording some of the provisions which were not adequately worded in the, I suppose, in legalese, to assure their effective implementation.

* (1430)

Those amendments from the Minor Amendments Committee were proclaimed December 20, 1988.

They were achieved through recommendations by the Minor Amendments Committee, brought to this House, debated I believe in one of the omnibus legal bills or omnibus bills that were brought in by the Attorney General. They primarily dealt with the role of the Public Trustee in terms of the Public Trustee's ability to assist those people suffering from mental illness while incapable themselves of looking after their financial and personal affairs. It clarified the Public Trustee's role in that process, and those amendments improved the 1987 legislation.

The second committee that was struck in 1988 was the Major Amendments Committee. The Major Amendments Committee naturally took a significantly longer period of time to come to grips with some of the other issues that were identified as inadequacies in the 1987 amendments. The Major Amendments Committee was one which had external representation, and it was assigned to recommend on some of the more significant changes which would in fact alter the original intent of the legislation; but it was also addressing further housekeeping amendments which came to light after those changes passed in 1988 were put into effect.

The Major Amendments Committee, being an external committee from government, had representation, Madam Deputy Speaker, from a number of individuals representing their respective organizations in the mental health community. I want to digress just briefly, Madam Deputy Speaker, to indicate that this process of the Major Amendments Committee was very unique. It was to my knowledge, and I am so informed, that it was the first time such a committee with such broad and diverse representation from interest groups in the mental health community were formally invited to participate in an advisory capacity in a committee which would recommend to government amendments to The Mental Health Act.

I want to share with you who some of the committee members were, because in doing so I want to thank them for their deliberations and for their efforts, not solely representing necessarily the interest group or the professional association or the institutional associations for which they were named to represent, but indeed for bringing to the committee some pretty substantial, significant and progressive concepts of change that could be embodied in these amendments that I am seeking approval of today. I want to thank the individuals

and the input that they no doubt received from their respective organizations in coming around the proposal of major amendments through the Major Amendments Committee process.

The Manitoba Association of Rights and Liberties was one of the interest groups that was involved in the Major Amendments Committee. An individual by the name of Mr. Des Connor was the MARL representative on the Major Amendments Committee. Mr. Tony Dalmy was also a member of the committee and brought some pretty significant legal expertise to the Major Amendments Committee and represented the Canadian Mental Health Association, Manitoba division, at the Major Amendments Committee. The Manic Depression and Depressive Society was represented by Ms. Gwen Finnen and, again, representing a very important group of Manitobans who suffer from manic depression as a mental illness and brought their concerns about The Mental Health Act to the Major Amendments Committee.

The University of Manitoba, Faculty of Medicine, Department of Psychiatry, was represented by Dr. Pat Wightman, and she brought, of course, a perspective from the educational side as well as the professional side of psychiatry to the Major Amendments Committee.

Dr. Dane Hershberg brought to the committee the concerns and the views of the community hospitals, because a number of our community hospitals in Winnipeg have specific bed capacity and institutional capacity to provide services to those suffering mental illness. Given that some of the amendments to the act involve admission procedure, Dr. Hershberg's input was quite important, as was Dr. Jeff Ivey's. Dr. Jeff Ivey practices psychiatry in rural Manitoba and represented the potential concerns that rural hospitals and rural institutions had regarding the proposed amendments to The Mental Health Act.

The Manitoba schizophrenia association was represented by Mr. Vern McComas and of course, again, another very significant organization representing views of Manitobans suffering from schizophrenia. He was a member of the committee bringing his expertise and views to bear on the amendments.

The Major Amendments Committee was chaired by Dr. Don Rogers, our Chief Provincial Psychiatrist and the secretary was Mr. John Biberdorf—Mr.

Biberdorf being a member of the Mental Health Directorate in the ministry of Health. Those were the formal members of the committee, representing some fairly diverse and wide public and institutional groups and special interests groups.

This Major Amendments Committee also received briefs from a number of organizations and individuals who also had involvement with or provided professional services to the mental health community in Manitoba. Those organizations included the Registered Psychiatric Nurses Association of Manitoba. The Canadian Mental Health Association as well as being represented, made representation. We had also formal presentations from the Manitoba Association of Social Workers, the Psychological Association of Manitoba, the Winnipeg city police, the RCMP and the Public Trustee's office.

Now, Madam Deputy Speaker, the reason I share that information with my honourable friends is twofold—first of all, to have them achieve a greater understanding of the reason why it took approximately two years to craft these amendments. They were ready to be presented to the House in the last session in December, but in discussion with my two opposition critics it was decided that the bill was fairly large, and that it would probably be well advised that we put it over and deal with it as soon as possible in this session. That we agreed to and advised the members of the Major Amendments Committee that would be the case.

I was encouraged last December and I would not expect a significant change. I was encouraged with the co-operation I received from the member for The Maples (Mr. Cheema), the member for St. Johns (Ms. Wasylycia-Leis) in their respective roles as Health critics for their parties in this Legislature that we ought to be able to achieve some fairly rapid passage of this bill and these amendments.

* (1440)

(Mr. Speaker in the Chair)

Mr. Speaker, I indicate to you that that would be viewed with some importance by members of the mental health community that we attempt to achieve passage of these amendments so that they can be given Royal Assent very quickly because some of the provisions and the changes in there are important to Manitobans who are seeking or needing to access services to deal with their problems of mental illness.

The consultation process really was very wide. The committee referred to, which I just outlined to the House, indicated that.

My second purpose for indicating the membership of that committee and the kind of consultation it undertook was to formally and publicly thank them for their efforts and for their work over a number of months in bringing, I think, a very progressive piece of legislation to the House. I want to thank them for participating, and I also want to congratulate them for being part of what I think is probably the first time in Canada that amendments to The Mental Health Act have been achieved in such a fashion.

I do not think there has ever been a more open consultation process with affected individuals, lobby groups, professional associations, people representing the institutions. It took more time. There is no question about that. If we had not used that open consultation process, we might have been able to present these amendments a year and a half ago, but I think that the time was well spent because there was a second purpose in the committee organization that was not stated, but was, I think, understood by all, that we had been making a lot of substantial and dedicated moves to reform the way we approach the delivery of mental health services in the province of Manitoba.

It was one of the first reform initiatives in health care that I undertook as minister in 1988, and this broad consultation process of professionals, professional service delivery groups, of people representing institutions, community health, special interest groups was again part of the larger process of reform of the mental health system. I think that, as we progress through 1991, you will find that Manitoba will be on the leading edge of reform in mental health with probably more co-operation for that process, broad-based approval of that process. My honourable friend, if she had have been -(interjection)-

Mr. Speaker, the second and sort of unstated purpose in the Major Amendments Committee and its membership was to create a better understanding amongst the professional groups, those representing institutions, community groups, special lobby groups or special interest groups in mental health, to understand the process of reform in Manitoba and to feel very much a part of that reform process. That is why I say that as we approach 1991 and phase 2, if you will, of the reform

of the mental health system this year, I think you will find, although the process will never be perfect, it will probably be one of the more widely supported reforms of the mental health system in the history of the country.

I think the amendments that are present in Bill 5 are a part of that reform process because, as I said earlier, this is the first time that a committee of diverse interests and professional groups was put together to come to grips with creating amendments to The Mental Health Act—the first time certainly in the province and, as far as I am informed, probably the first time in Canada. That is a credit to those involved and also, I have to say, was a deliberate strategy of government to try and seek out the best advice possible from interest groups, from knowledgeable individuals, professional groups, those representing mental health service delivery in the province, so that we both could learn from the process and create probably as progressive and as good a Mental Health Act as is possible.

I will fully admit, Mr. Speaker, that as time progresses, we may well find flaws even in these amendments and need to seek legislative approval at some future date, but we have certainly had a wide-open consultation process, full participation. We think the results being a pretty reasonable, workable, and effective piece of legislation serving the mental health community in Manitoba.

I want to further reiterate that because of the wide range of interest that was represented by the members of the Major Amendments Committee, there was a lot of give and take in the crafting of these amendments. The give and take that was necessary to achieve a consensus—I think is the appropriate terminology on these amendments—is laudable, because I think it is also fair to say that not every individual in that group or every organization who made presentation to the Major Amendments Committee received the letter of their requests in the legislation, but as closely as possible and as workable and achievable in law those concepts, ideas and suggestions were incorporated.

I am informed by staff that the amendments presented here today receive wide support and wide concurrence amongst those groups that make presentations and indeed were represented on the Major Amendments Committee.

Although we may well hear this when the bill reaches committee stages, there is discussion in the

mental health community about legislation which would, and I am seeking the right terminology here, Mr. Speaker, but legislation which would formalize the process of community-based services and establish in legislation the parameters for that. This legislation does not incorporate that, and that is not an omission by default. These amendments were not intended to do that.

We will look forward to discussion over the next several years, as we approach the reform of the mental health system and move toward more community-based services and see whether the basic principles under which that reform of the mental health system will work without the formalization by legislation. If we can by policy directive of government created in co-operation with a number of players in the mental health community develop principles under which the mental health system will be reformed and provide services in the community, I think all of us win, because we achieve the kind of flexibility that government often does not have if they are perchance hamstrung or more narrowed in their approach by the proclamations of various statutory obligations that might be embodied in an act which is envisioned to provide mental health services in the community.

* (1450)

So I say at the outset that these amendments do not deal with that process, but government does not have a closed mind on that proposal and is quite willing to work over the next period of time to see whether that proposal can achieve legislative status. What is represented here in Bill 5 are the most workable solutions to what were from time to time different suggestions from the various interest groups who make presentation to government.

I believe that all 58 amendments being presented to the House today, therefore, have the support of the majority of the people involved in the mental health system, and that is why I have so little hesitation in recommending that bill to my honourable friends.

At committee stage, and I would hope we can proceed there fairly quickly, officials from the mental health division of my department will of course be present and available to answer any technical questions that may be posed by my honourable friends. I have already distributed, and I notice my honourable friend from St. Johns is—I hope that she has received the copy of the amendments. A copy

was to be distributed. Yes, I see that she has that. Those indicate the old provision of the act, the new provision and the purpose of the change as we discussed in December. I want to deal with some of the basic principles in Bill 5.

Some of the amendments deal with principles that embody some fairly major change, but I have to indicate to my honourable friends that the majority of the 58 amendments are housekeeping in nature, a clarification of language. They are recommended and are included in Bill 5 to, again, further clarify the intent of the 1987 legislation. By themselves, the housekeeping amendments are not controversial because they do not reflect any change in principle involved in the 1987 intent but simply indicate an identification of some of the problems that were present in the 1987 act's wording and the major amendments committee's response to those housekeeping amendments.

I will give my honourable friends some examples. For instance, the 1987 legislation requires that an involuntary medical examination take place within a 24-hour period. Clearly the intent of the legislation in 1987 was to have a medical examination within a 24-hour period but as soon as possible; in other words, not simply waiting till the end of a 24-hour period but as soon as possible and certainly within 24 hours. A minor amendment clarifies that to assure that the examination takes place as soon as possible and no longer than 24 hours.

Second example, Mr. Speaker, the current legislation requires that peace officers locate and interview patients who have left the psychiatric facility without permission. The purpose of the interview by the peace officers is to determine whether that individual should be returned to the facility. Both the City of Winnipeg Police and the RCMP rightfully indicated that that is a clinical decision, a clinical decision that hospital treatment staff certainly are trained and ought to be making, and that it is not a police decision for which they are trained. The Major Amendment Committee—and quite frankly, I concurred with that. I thought that was a reasonable proposition put forward by those representing both the RCMP and the City of Winnipeg Police. So the principle involved here, of the interviewing, that the peace officers should interview the client when they locate them, has been dropped. That interview requirement, of course, is placed on appropriately trained staff at the facilities to which the individual may be returned.

Third example, the existing legislation provides that a person who has been allowed to examine his or her clinical record has the right to request that a correction to the file be made, but it does not specify, Mr. Speaker, to whom such a request should be made. What Bill 5 makes clear is that the request to correct the file, the patient's file, made by the patient himself, is to be made to the medical officer in charge, so that that clarifies and makes workable provisions in the 1987 legislation.

Mr. Speaker, beyond the housekeeping amendments, the greatest principle involved in the remaining amendments is an attempt to strike the oftentimes delicate balance between the rights of the individual on the one hand and the obligation society has to those individuals who, because of their mental disorder, cannot appreciate their need for care and treatment on the other hand. That is a very delicate balancing act. I can recall speaking to the bill in 1987, and I expressed my concerns about The Mental Health Act in general as a legal instrument.

The Mental Health Act contains some fairly onerous powers; it always has. Those powers over individual decision making are there for the purpose of protection of, firstly, the individual, if their mental condition may endanger their personal physical well-being; but also it is designed, secondly, to provide some protection to members of society at large. Those both are very laudable goals to have embodied in any mental health legislation, but they require the placing of pretty substantial powers at the hands of professionals, professionals who are trained to make decisions which I am not certainly trained or professionally competent to do. It places a substantial amount of trust in that professional decision making and, in doing so, confers upon those individuals some fairly significant powers.

What the act is trying to do in proposing amendments in Bill 5 is we are proposing, or we are trying to provide that balance and that enhancement of the individual's rights under The Mental Health Act, so that the individual has certainly more ability to question and to receive appropriate answers and advice on the kind of process the individual may have been put through in achieving the first two aims that are embodied in the act of protection of the individual suffering from mental illness, as well as society at large. It is in this area that there are several major amendments which involve a change

in philosophy and approach in the act, and I want to deal with those right now.

The first example I want to give, and this is one that I think all members of the House can be very proud of being part of in passing this legislation because family involvement was not mandated under the previous act. The Public Trustee was the individual who could assume empowerment of various duties over the individual who was involuntarily admitted for mental health treatment.

* (1500)

One of the first major amendments in Bill 5 gives more family involvement in consenting to treatment issues, and I think that is a most progressive step. My honourable friends will see that the existing legislation provides that the Public Trustee give consent to treatment in all cases where the patient is assessed as being incompetent to consent. Bill 5 includes amendments which provide an avenue whereby family members may consent on behalf of their mentally ill relatives.

Mr. Speaker, I think that all members of the House would agree that that is a most progressive amendment and one that will be lauded by all Manitobans and, certainly, I would anticipate, receive unanimous support by all members of this House because it is a good principle to introduce into The Mental Health Act.

A second example I want to give to my honourable friends is in terms of a fairly significant change as presented in Bill 5 in having the patient's family involved in care decisions as provided by the amendment I have just described or the provision I have just described. There are a number of additional amendments clarifying the circumstances under which a decision made by relatives of the mentally ill person may be made. It also clarifies in what order the nearest relative will be sought out to provide that kind of decision-making consent and also sets out some of the criteria by which a person may determine the best interests of the patient. I think that again is progressive legislation.

A third example that I want to give is that the existing legislation provides that where a patient is on a certificate of leave from a psychiatric facility, the attending physician may cancel the certificate if the patient has failed to report as required. Now what we find is that oftentimes the reason why a patient has failed to report is not because of a deterioration in his or her condition, but rather it

could be something as innocuous as being sick that day. This bill contains amendments which strengthen a patient's ability to prevent the issuance of a cancellation certificate.

A fourth principle to be involved, Mr. Speaker, is that the existing legislation gave patients in a psychiatric facility the right to appeal their detention, care or treatment to a review board. Unfortunately, the current wording of the legislation requires that distinct review boards be structured, with no possibility of exchange of the members.

The reality is that conflicting schedules for the professional members of these review boards has sometimes delayed their ability to hear an individual's case. To remedy that, we are proposing in this legislation a roster system so that professionals and citizens at large, as available, can constitute the review board of three to review the case. That, we think, will greatly speed up and enhance the process.

Mr. Speaker, in closing I would like to say to my honourable friends, as I did in December when we discussed the provisions of Bill 5, that I am proud of the process by which these amendments have reached this Legislature. They have represented the work of many, many individuals, professional groups, special interest groups and citizens of Manitoba who are deeply committed to improving government's approach to the delivery of mental health services in Manitoba. They have worked very hard in giving us these proposals in Bill 5. They represent, I think I can sincerely say, the consensus of the best opinion in Manitoba on how The Mental Health Act ought to be amended and some of the principal changes that ought to be made.

I would close debate by asking members of both opposition parties to consider very, very seriously the quick passage of this bill in second reading to committee so that we can have members of the public come and voice their support, their variance with the provisions in this bill, with the goal that we can have Bill 5 pass legislation as soon as possible because the Major Amendments Committee and all those involved are deeply desirous that this bill proceed and be proclaimed as quickly as possible. I thank you, Mr. Speaker.

Ms. Judy Wasylycia-Lels (St. Johns): Mr. Speaker, I move, seconded by the member for Flin Flon (Mr. Storie), that debate on Bill 5 be adjourned.

Motion agreed to.

Bill 6—The Mines and Minerals and Consequential Amendments Act

Mr. Speaker: Bill 6, The Mines and Minerals and Consequential Amendments Act; Loi sur les mines et les minéraux et modifiant diverses dispositions législatives, standing in the name of the honourable Minister of Energy and Mines.

Hon. Harold Neufeld (Minister of Energy and Mines): I move, seconded by the Minister of Family Services (Mr. Gilleshammer), that Bill 6, The Mines and Minerals and Consequential Amendments Act, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Neufeld: I am pleased to introduce Bill 6 for second reading. Two logical and important questions must be addressed. Why do we need a new Mines and Minerals Act, and No. 2, why are we bringing forward this fairly massive piece of legislation at this time? -(interjection)- I will give the member for Crescentwood (Mr. Carr) ample opportunity to read and question the contents of the bill.

As you know, we have set ourselves a task of stimulating and encouraging investment in Manitoba. A very important facet of this strategy is our goal of achieving a positive business climate for mineral development, Mr. Speaker. This new Mines and Minerals Act is a very important cornerstone of this goal.

Firstly, Bill 6 will provide the essential framework, the rules of the game, if you like, under which mining exploration companies and individual prospectors alike can operate in this province.

It will establish rules which we consider fair, equitable and comprehensive and which will enable people to operate in the province in full knowledge of the requirements and onus placed upon them. Also they will understand what they can expect from government in the way of service and security of mineral rights.

Private sector investment, consistent with sustainable development initiatives, will be encouraged. We anticipate introducing other initiatives which will enhance the attractiveness of Manitoba for investors. We hope through these initiatives to build Manitoba's mining industry to more acceptable levels than those we see today.

Over the last couple of years we have already seen encouraging signs of renewed interest in this province. A number of fairly major exploration efforts are currently under way, particularly in the areas of Flin Flon, Snow Lake and Wabowden, extending as far south as Grand Rapids, beneath the limestone cover. These programs are targeted on base metal deposits similar to those in Flin Flon, Snow Lake belt and along the extension of the Thompson nickel belt.

Other initiatives being considered include: Assistance programs and training programs for prospectors, amendments to The Mining Tax Act to see if we can build in some incentives for new mine development, a new mineral development agreement, which we hope to have in place very shortly. We are also sharpening the focus of the department's geological survey activities so that we can target those areas and opportunities for maximum benefits and assistance to exploration companies.

* (1510)

At the same time, we plan to do a much better job of alerting the rest of the world to the opportunities that exist in Manitoba. We will be undertaking a more aggressive approach to the promotion and marketing of our geological findings in the publications and maps which the department produces.

With regard to the overall strategy for mineral development in the province we have, as you know, recently released the Minerals Workbook. It is a component of the land and water sustainable development strategy. Release of the workbook at this time is particularly timely in the light of the new initiatives I have outlined today. We are concentrating our efforts at this time on a new Mines and Minerals Act; however, a companion bill for a new Oil and Gas Act is being prepared to cover the exploration, development and production of oil and gas in the province. I hope to introduce this companion bill during the next session of this Legislature.

The existing Mines Act has been in effect for more than 60 years. It has naturally undergone numerous amendments, not all of these, however, have kept up with the times. Rather than doing yet another patch job to cover some of the more significant deficiencies, we decided it was appropriate to bring forward a completely new,

revised and comprehensive piece of legislation. Above all, we want to enshrine in the new act the principles of sustainable development so that we establish in the very basis for conducting business and developing our resources.

There is already widespread acceptance of these principles within the mineral industry. Both the Mining Association of Canada and the Prospectors and Developers Association of Canada have adopted environmental policies embraced by all the members, which commit them to the concept of sustainable development.

For the first time the 10 principles of sustainable development have been incorporated directly into Manitoba's legislation through the Mines and Minerals act. Subsection 2, paragraph 1, in the bill states: The object and purpose of the act is to provide for, encourage, promote and facilitate exploration, development and production of minerals and mineral products in Manitoba, consistent with the principles of sustainable development.

The next subsection sets out these principles in the context of mineral development. For example, the bill requires that decisions respecting the economy and mining activities be integrated with decisions respecting protection and management of the environment so that mining activity is commenced with due regard for its impact on the environment, and environmental programs or initiatives are instituted with proper regard for their economic impact, and that government and industry in their respective policies and practices acknowledge their stewardship of the mineral resources of the province so that the economy is developed and the environment is preserved for the benefit of present and future generations of Manitobans, and that responsibility for sustaining a sound and healthy environment alongside development of a sound and healthy mining industry is a responsibility that is shared by government and industry alike, and specifically on rehabilitation, that land that in environmental terms is damaged or diminished by mining activity be rehabilitated.

Mr. Speaker, if you refer to Section 2 of Bill 6, you will see the items listed under sustainable development closely parallel the 10 principles established by Manitoba's Round Table on Environment and Economy, putting them in mining context.

Special reference is made to the theme of rehabilitation. We have introduced the requirement for all companies undertaking advance exploration projects on building roads, draining lakes, generally altering the landscape for exploration purposes, or those with active mines are required to submit plans for the closure for those operations together with sufficient security to cover the costs of that rehabilitation.

We are taking a somewhat different approach to aggregate quarries, but I can assure you, Mr. Speaker, that it has been developed in full consultation with the Manitoba Heavy Construction Association. We will establish a rehabilitation fund into which monies will be paid through a levy on each ton of aggregate extracted from both Crown and privately owned quarries.

The fund will be used to rehabilitate both former and existing quarries and will be administered by the department. We realize that this gives the appearance of removing some of the onus from the aggregate companies, but that is more than offset by the practical difficulties of the alternatives. For example, insisting that the quarry operators do the rehabilitation at some time down the road when the quarry is depleted can create significant discussions as to what constitutes depletion, and as a result rehabilitation may never get done.

The fund will be used not only to deal with currently operating quarries but also to clear up the sins of the past by building up sufficient reserves to pay for rehabilitation of those abandoned quarries.

The new act will correct a major deficiency in the existing mining legislation by putting substantive legislation into the act itself, shifting it out of the regulations. This is consistent with the rules of our Legislature which require that regulations should not contain substantive legislation but should be confined to administrative matters. For example, in the past, tenure of mineral rights, which is the very foundation of any mineral development, has been dealt with by regulation. In other words, the provisions for staking claims and acquiring mineral leases could be changed by Order-in-Council, and in the past that has been done with fairly significant results.

The restoration of 21-year leases was done by regulation during the Lyon government, but unfortunately the leases were never issued. After the election of 1981 no mining leases were issued

to any companies operating mines in the province for the next 10 years.

This is a clearly reprehensible situation, and it will be rectified by the new bill. We will in fact, Mr. Speaker, enshrine in the statute the rules governing the issuance of leases. This will give the companies doing business in Manitoba some comfort and security that their investment cannot readily be jeopardized through passage of an Order-in-Council.

In spite of the apparent bulk of this bill we have streamlined the mineral resource legislation. Two other statutes, The Industrial Minerals Drilling Act and The Mineral Exploration Assistance Act will be repealed. The more useful provisions of these acts will be incorporated into the new act.

Furthermore, because the substantive legislation which was formerly in regulations has now been directly put into the act, the size and scope of the regulations will be correspondingly reduced.

On that point, regulations under the new act are currently being drafted with a goal of having them ready for consultation with the client groups at about the same time as the new act is making its way through the Legislature.

Part 1 of the act includes the definitions, the object and purposes of the act, as I read to you earlier, the application of the act to Crown mineral rights and to operations of mines on both Crown and private land and affirms the paramountcy of provincial jurisdictions over the minerals.

Part 2 sets out the duties and responsibilities of the minister, director of mines, inspectors and mining recorders. It defines confidentiality rules on conflict of interest guidelines for employees and establishes a Mineral Research Advisory Council.

Recognizing the importance of scientific and technological innovation, the ninth principle of sustainable development, we have introduced the concept of a Minerals Research Advisory Council, which would consist of knowledgeable people from outside of government to advise the minister on a voluntary basis, if at all possible, on the following: opportunities for developing, encouraging, sustaining and improving efficiency in the mineral industry through basic and applied research, and on the co-ordination of mineral research programs and on ways of promoting public awareness of mineral research and its importance to the economy of the province.

We believe that a group of individuals like this, a minister's council if you like, can greatly assist in directing the future role and mission of the department as well as playing a very active role in advising on appropriate research efforts using somewhat limited resources in the most effective manner.

I am thinking here of ways of bringing the federal government, provincial government, university and industry and researchers together for the common benefit of the province and its industry.

Part 3 establishes the Mining Board, carried over from the present act, as a board of arbitration at disputes between parties and in selected instances as a board of appeal against the action of officials. Examples of the kinds of disputes which the board might be called upon to hear would be between the holder of a mineral claim and the surface owner or the holder of a mining claim and a person wishing to acquire the quarrying rights to the same ground.

* (1520)

Parts 4, 5, 6, 7 and 8, Mr. Speaker, follow the logical sequence of mine and quarry development from the acquisition of licences, permits and claims through the exploration to obtaining of leases. These are very important provisions which establish the security of tenure of mining rights on which further investment will be based.

Part 9 deals with the acquiring and holding of surface rights needed for mine development. Part 10 deals with the pooling of interests and unit operations which would be required primarily for potash operations. These parts are followed by sections covering the payment of royalties on Crown minerals and their collections and the filing of statistical data on mine operations, et cetera, and mine plans.

Part 14 is an all-important part in this age of increased environmental awareness, covering the requirements for the closure and rehabilitation of mines and quarries. As I mentioned earlier, quarry operators will pay a levy on each ton of aggregate extracted. These levies will be deposited in a quarry rehabilitation reserve fund, which will be used to fund rehabilitation of all quarries. In the case of mines, operators will be required to submit closure plans together with sufficient security to cover rehabilitation work. Operators will have two years in which to bring their properties into compliance with this requirement.

A Mine Rehabilitation Fund will be established. Monies received as security under closure plans will be deposited into this fund. Details on the operation of the fund have not yet been completed as we await the outcome of further discussions with Revenue Canada on the tax treatments of deposits made into the fund.

Part 15 sets out requirements for the operation of mines and quarries in a manner which does not endanger public safety or the environment. There is some overlap here with Workplace Safety and Health legislation, but the concern of The Mines Act is principally directed to the safety of the general public and the prevention of conditions which could pose a threat to the public. Part 15 also authorizes the designation of lands previously used for mining purposes of limited use and to preclude incompatible use of such land in the future, such as land above ground workings which could be liable to subsidence.

Part 16 deals with administrative matters in the recording and transfer of various instruments related to mineral rights. Part 17, Mr. Speaker, is a regulation section. Part 18 covers offences and penalties, and Part 19 sets out the transitional provisions to ensure continuity from the old Mines Act to the new one. Lastly, Part 20 provides for the repeal of those statutes superseded by the new act, as well as amendments to other statutes resulting from the provisions of this new act.

Those then are some of the highlights of the new Mines Act, Mr. Speaker, and I commend it to you. Because of the complexity of Bill 6, I would like to take this opportunity to extend an invitation to make arrangements for our staff to provide the Mines critics with a special briefing. Thank you.

Mr. George Hickes (Point Douglas): I move, seconded by the member for Flin Flon (Mr. Storie), that debate be adjourned on this bill.

Mr. Speaker: It has been moved by the honourable member for Point Douglas (Mr. Hickes), seconded by the honourable member for Flin Flon (Mr. Storie), that debate be adjourned. Agreed?

Hon. Clayton Manness (Government House Leader): Mr. Speaker, before we grant acceptance to the motion, we have members who want to speak to this bill.

Mr. Jerry Storie (Acting Opposition House Leader): Mr. Speaker, there is a motion on the floor. Unless we want to have a vote on this, I

suggest that we adopt the motion, and we are certainly prepared to give leave to anyone who wishes to speak.

Mr. Speaker: The question before the House was adjournment of second reading of Bill 6, moved by the honourable member for Point Douglas (Mr. Hickes), seconded by the honourable member for Flin Flon (Mr. Storie), that debate be adjourned. Agreed?

Hon. James Downey (Minister of Rural Development): Mr. Speaker, I rise to speak in support of my colleague, the Minister of Energy and Mines (Mr. Neufeld). The member for Flin Flon, you would have thought, representing a community in which its base industry is the mining industry, would have been prepared for some time to have spoken to this piece of legislation—(interjection)—and makes a comment from his seat. You know, he is quite often to shoot from the lip and say that we are standing to do something with time. I think it is time that this province recognize the importance of the mining industry.

For far too many years, what did the socialists do to encourage the mining industry in this province? Absolutely nothing, Mr. Speaker. In fact, their dogmatic socialist views drove the free enterprise spirit and the investment opportunities that were here out of this province. We have fallen behind—

Mr. Speaker: Order, please.

Point of Order

Mr. Storie: Mr. Speaker, the member should perhaps consult with the Minister of Energy and Mines before he continues with his remarks. It is clearly out of order for the member to put on the record falsehoods when he knows the value of mineral production, the number of jobs in mining industry, the number of mines opened under the previous administration, far exceeded what was possible under Conservative government.

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

* * *

Mr. Downey: Mr. Speaker, let the member for Flin Flon not stand in his place and try and reprimand anyone for speaking on what I would consider a major, major initiative. My colleague passes me—(interjection)—no, no, no. No, the bottom line is the

minister clearly indicated that The Mines Act has not been revised. It has been amended, but not a major overhaul for some 60 years.

Again, let me point out the importance of the mining industry, for those members who come to this Legislature to criticize more than they develop. They have had 16 out of the last 20 years to develop a new Mines Act which you would have thought would have been a major priority to them. No, Mr. Speaker, they did not have that kind of initiative, that kind of vision.

I can assure you that my colleague, the Minister of Energy and Mines, is very committed, No. 1, to upgrading of the act to make the kind of corrective activities, the corrective actions that will enhance—to clearly state what government policy is as it relates to the mining industry. So I do not think that the member for Flin Flon or the member for Thompson—I would expect nothing from them but support on this major initiative. I would hope that they would be prepared to stand in their place and make it very clear as to their support for this bill.

Mr. Speaker, the minister has made it clear that The Oil and Gas Act will be a separate part of a new act, so that in fact they are not mixed together. I support that. I think it is clearly an industry, as I speak about the oil industry in Manitoba, an opportunity to clearly have it stand on its own through an act of the Legislature.

I see some opportunities, even though the prices in the last while have not increased in the way in which a lot of the investors had thought it might have increased, but I am encouraged to see some of the reports that are coming out of the southwest as to the intentions of some of the oil industry, because it has a major impact on, not only southwest Manitoba, but on the economy and the revenues for the province and is a major employer in some of the major centres which I represent—the constituency of Arthur-Virden having within it Virden, which has been a major oil-producing centre, Waskada, another major oil-producing centre, and Pierson which is a newly developing field with some tremendous potential. So there are some initiatives that I think, Mr. Speaker, will clearly point out the importance which the government places on the mining industry by having a new act developed and also by the separation of The Oil and Gas Act. It is important that be pointed out.

* (1530)

Let me just make a couple of comments because what we perceive to have before us, some economic difficult times, I think it is important to note that the member for Thompson (Mr. Ashton), although you would never hear him say it, I think the activity that is going on in Thompson today, with the upgrading of the Inco mine at Thompson, has created employment opportunities that many of us, particularly the government, are thankful for. I know that without that investment they would probably be experiencing a lot more difficult time as the national recession is upon us, but I am disappointed that the member for Thompson does not stand in his place and express more of a positive attitude of the community which he represents. He finds too much pleasure, Mr. Speaker, in looking for the negative things in life. It is unfortunate that he does it simply for the political gain which he hopes to get. I would think that—

Point of Order

Mr. Speaker: The honourable opposition House leader, on a point of order.

Mr. Steve Ashton (Opposition House Leader): Mr. Speaker, it is against our rules to attribute motives, but if the member wishes to have it absolutely clear in his mind, I have publicly stated I am very pleased with the investment by INCO. What I am not happy with is the cutbacks by this government in the north, spearheaded by that minister.

Mr. Speaker: The honourable member did not have a point of order.

* * *

Mr. Downey: Mr. Speaker, again I challenge the member to specifically pinpoint areas which he is referring to as being cut back. There are not any. In fact, I can tell him that since our term of office there has been increased employment within northern Manitoba as it relates to government programming—27 positions in the recreational activity of Northern Affairs and the Department of Recreation. When do we ever hear the member for Thompson stand in his place and give credit where credit is due? Never does he stand in his place and give credit where credit is due.

Well, Mr. Speaker, I do not have a long prepared speech to give on this particular act, but I do say most seriously that one should not underestimate

the impact or the potential impact that the mining industry can have on this province. I feel very strongly that we have a tremendous area of undeveloped mineral resources through the northeast region of the province, which has to be developed in a proper, well-planned manner. We have a major area throughout the centre part of Manitoba as it relates to further mineral development. The northeast region is one area, central region is another which I think has tremendous potential, and, of course, the whole northwest area of the province which I think has tremendous promise for new and economic development as it relates to the mining industry.

What do you have to do, Mr. Speaker? You have to create the economic climate for private investment to come in and do the job. That is the key. That message has to be sent out throughout not only Canada but throughout the world. We have to let the world know that we are interested in having our mineral wealth of this province, not mined to the point of doing it irresponsibly but to produce it, to develop it, to produce it for the economic well-being of Manitoba and the nation.

I think that we will see, as my colleague has introduced this new Mines Act—we have seen the attitude that has come forward from this government compared to the last administration, which they firmly believed that if a government was not doing it, then it should not either be done or it was not worth doing. That for some reason to have government investment, government hands on like the Manitoba Oil and Gas Corporation which was a financial disaster, and every time I hear an opposition critic today from the New Democratic Party give us the razz for either being responsible with our expenditures—I just point out a few of those examples of how mismanagement of the taxpayers' money has put us in the financial situation that we are in, whether it be \$27 million in Saudi Arabia in a fiasco through the telephone system, whether it be \$16 million in lost investment in the Manitoba Oil and Gas Corporation.

Remember, I asked the member for Wolseley (Ms. Friesen) to look at some of the old campaign material of that great Howard Pawley who said, the Manitoba Oil and Gas Corporation would build hospitals, pay our medical bills and do all those great social activities. Well, instead, Mr. Speaker, it cost us \$16 million for an ill-founded experiment by the socialists of this province, costing her

constituents a lack of probably some government services that they could have had or maybe could have enjoyed better if they had not gone on that ill-fated experiment.

I ask her to fully consider, when they are criticizing and looking at what we are having to do now because of a shortfall of revenue and an overexpenditure of interest on our debt, the impact that is having. It is all, as some people would say, it is all coming home to roost, and it is unfortunate that the people of Manitoba have to go through it but it is a fact of life. We cannot continue to overspend, overspend and go into those experiments and then have money at the end of the day to carry on those essential services.

(Mr. Laurendeau, Acting Speaker, in the Chair)

I look forward, Mr. Acting Speaker, particularly to the committee stage which we will go through to have this bill debated. I think it is important that the industry speak out clearly, and I am pleased to note that I am sure the minister has had some dialogue and some consultation with the Mines people of this province.

Let me further add that there is one other thing that I would like to touch on, because we are again reaping the rewards of an ill-directed and an ill-conceived government when it comes to the related mining and metal industry in this province.

How many people here today would have enjoyed seeing or enjoyed the economic benefits of an Alcan aluminum smelter sitting out in the Interlake? I think it is only appropriate that I should raise this at this particular time. Can you imagine today the economic spinoff? Oh, and I know there will be members who will say that the only reason I was interested was because—something about land or some particular thing that was partly to do with it.

Mr. Acting Speaker, the bottom line is that there were 800 jobs that could have been now right in the Interlake area, in the Balmoral-Toulon area, if it had not been mishandled and thwarted by the New Democratic Party of this province, 800 high-paying jobs with the aluminum smelter, a sale of massive amounts of electricity not being exported to the Northern States Power Company, as was done by the NDP from Limestone, but it would have been job creation right here in the province, economic activity right here in the province. That was lost by a wrong-headed, ill-conceived government who, for some particular reason, thought they could go out

and cut a better deal. This great Party of NDPers, who were so strongly supportive of job creation, virtually wiped out a tremendous opportunity for the Interlake region of this province.

I have to say that I think the people of the Interlake will remember the NDP for a long, long time over that mismanagement. I say it very seriously. It is unfortunate that that kind of a decision was made. We have a tremendous base of mineral wealth; we have a tremendous base of hydro-electric power. We have a tremendous resource of people who are interested, particularly in our northern regions, and I see there are tremendous opportunities for—

An Honourable Member: We have all the components in there.

Mr. Downey: That is correct. We have all the components, as my colleague from Steinbach says. All the components, all the ingredients are there, and now we have a government that clearly is demonstrating the leadership by this new Mines Act, showing the leadership that will bring all those components together, that will give us the great kind of opportunities the people of this province deserve. The contribution it will make to our economy will help support those badly needed and those most importantly appreciated medical and social services that are expected by each and everyone of us.

* (1540)

The minerals to Manitoba are like the oil industry to the province of Alberta, and I can say very seriously that I am strongly supportive of it.

There is one more that I should touch on, just for the history of this House, and I again ask the member for Wolseley (Ms. Friesen) to pay attention, that there was a major initiative to develop a potash mine during the same period of time in the 1980s, late '70s-early '80s.

In fact, IMCC had gone so far as to start operations in the Westman area, in the Russell-Binscarth area. Again, because of the dogmatic socialist approach by the previous administration—and they were going to cut a better deal on potash. What did they do? They cut it. They again drove another major company out of this province that would have been investing, I believe at that time, \$800 million, jobs for hundreds of people, 400 jobs and a massive, massive income for the province of Manitoba. Again, we are some 11 years, 12 years later, again without that

economic development, again loss of jobs and the loss of a development of our mineral resources.

Again, Mr. Acting Speaker, it is our intention and hope that the private sector, through encouragement by the government, will in fact take another look at the potash deposits of the western side of this province and develop them so that it gives employment opportunities and gives us that kind of economic base that we need to support the medical and the social programs of this province. Without that engine driving and paying the costs, who is going to do it? Who is going to create the wealth that is going to give us the kind of programming we need? Is it going to be the MTXs of Saudi Arabia that are going to give us that kind of support? Is it the ManOils of this world that are going to give it? It is in fact the very reverse, that those kinds of wrong-headed decisions were a drain on our province, a drain on the taxpayers, and we are now suffering the consequences.

So we do have a province of great opportunity. We have an act which my colleague the Minister of Energy and Mines (Mr. Neufeld) is bringing before this House for support, and I would hope that all the new members of the opposition party will look at the history of how badly their former colleagues handled the development of the mines and the energies of this province and get on with a progressive government, Progressive Conservative government that truly is serious about getting on with the wealth creation that is out there. We are prepared to create the economic climate, prepared to create the legislative climate that will cause the job opportunities and resource development to take place.

So I am pleased to have added these few comments to the record. I hope I have not been too harsh on the members of the opposition. All I am asking them to do, they are educated people, is clearly assess in an unbiased way the history of their party as opposed to what we are now trying to do, and I would hope they would see in the interests of the people they represent that they get on side and help with this initiative. I want to thank you, Mr. Acting Speaker, for this opportunity.

Committee Change

Mr. Kevin Lamoureux (Second Opposition House Leader): May I have leave for a committee change?

The Acting Speaker (Mr. Laurendeau): Does the member have leave? Agreed.

Mr. Lamoureux: I move, seconded by the member for St. James (Mr. Edwards), that the composition of the Standing Committee on Economic Development be amended as follows: The Maples (Mr. Cheema) for Osborne (Mr. Alcock).

I also move, seconded by the member for St. James, that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: The Maples (Mr. Cheema) for Osborne (Mr. Alcock).

The Acting Speaker (Mr. Laurendeau): Agreed.

* * *

The Acting Speaker (Mr. Laurendeau): Is there leave for the honourable Minister of Natural Resources? Agreed.

Hon. Harry Enns (Minister of Natural Resources): Mr. Acting Speaker, I am pleased to add a few comments on this important initiative on the part of this government. I am well aware that it is not within the rules to deal in detail, clause by clause of the bill before us, a bill that I am very familiar with and, as a former Minister of Energy and Mines, have taken an active interest in helping to draft and bring to this stage of the House, but surely it is important to indicate to you, Sir, and to Manitobans and specifically to the mining industry that what it will do is set out clearly and distinctly the rules of the game for the foreseeable future as we move into the year 2000.

Mr. Acting Speaker, nothing is more important to those who have to live within the rules and regulations, the laws and regulations that we pass from time to time, than to know clearly what they are, to have confidence in their administration and to have the feeling that they have participated in the bringing together of the different pieces of legislation that will regulate their industry in the future.

It is also against the rules of this House to refer directly to the absence of any members of this Chamber from time to time, and I will not break that rule. It is also fair to say that the New Democratic Party that has had the good fortune, electorally, to represent the North for so many years, continues to represent it today, appears to be so silent on these kinds of bread and butter issues that provide them with the wherewithal that does interest them all—the

service and social service programs that they devote most of their time.

It is what takes place in the mining industry, in the farming industry, in the manufacturing industry, in all the other wealth-producing activities of our citizens, that in the final analysis enables us to provide the kind of services that are demanded of my colleague, the Minister of Family Services (Mr. Gilleshammer) or the Minister of Education (Mr. Derkach) or the Minister of Health (Mr. Orchard).

Unless we pay a bit more attention as a government, as representatives of the people, to enable those who are prepared to risk, those who are prepared to gamble, those who are prepared to work damn hard in this province to produce that wealth, then, sir, we do that at great risk to all our citizens, particularly those more disadvantaged than others who need and require the assistance of government and its agencies from time to time, so that we can meet our responsibilities in a compassionate, in a generous and a humane way.

Mr. Acting Speaker, perhaps no other activity of man—is that a sexist statement?—no other activity of person—no, that does not sound right—no other activity of man then in the mining business is man's ingenuity better demonstrated.

It always amazes me when you walk into or drive into the open-pit mine up at Inco, or go down below and see these humongous tons of rock brought up to the surface, with massive machinery crushed, powdered, then to extract the precious metal therefrom. The investment that is involved. The risk-taking of capital that is involved. All to do what? To provide a whole host and range of services and products, everything from a skilled surgeon's knife to the desk that the teacher or the university professor uses in his offices or in his classroom.

It is amazing and it has a fascinating history, what we do in mass pursuit of this extraction of metal. You know, it has to some extent recorded epoch periods of our history, right from the first bronze age. Section 2 of the act—oh, pardon me, I should not refer to it, it does not refer to the bronze age, but it is that philosophy that is contained within this act that my colleague, the Minister of Energy and Mines (Mr. Neufeld) is putting before this House. It is setting out the rules of the game that I am sure will encourage this important industry to flourish in this province.

Mr. Acting Speaker, upon reflection, I am sure honourable members opposite are busy with the many other things that we busy ourselves with from time to time in this Legislative Assembly and that their eagerness or their lack of eagerness to get into the debate on this bill, at this issue, has an appropriate reason.

I look forward to particularly the honourable member for Thompson (Mr. Ashton) who has the privilege of representing a major employer of this province, a major wealth creator of this province, the member for Flin Flon (Mr. Storie) who has perhaps the most historic mining operation within the confines of his constituency in that picturesque town that is known internationally, the town of Flin Flon, that has been successfully and continuously mined since the early part of this century—since the 1920s, I believe, if I am not mistaken.

* (1550)

Mr. Acting Speaker, I want to encourage honourable members opposite to pause every once in a while from their—I do not say it is not appropriate, the amount of time that they devote in their questioning of government ministers, in their activities in this House with respect to the level or lack of level or the delivery of the various social programs that seems to preoccupy their minds and their attention, that they sit back for a moment, reflect on where the wealth is coming from.

In this case, this is an excellent opportunity, Mr. Acting Speaker, for them to demonstrate, not just for us, but for the very constituents that they represent in the communities of Thompson, the communities of Flin Flon, in the communities of the north generally, where the last glacial period or whatever, or since time immemorial providence has designed most of our material wealth to lie.

Mr. Acting Speaker, it would be of service to their party and to the people of the north that they represent if they were to be seen from time to time to be talking about these issues as well as the ones that their Leader devotes virtually 80, 90 percent of the Question Period every day. Again, I appeal to the masses of opposition members who appear in front of me as I make these statements. This is an important occasion. This bill will regulate the mining activity in this province well into the year 2000-plus, and I look forward to active debate on the bill and its support.

The Acting Speaker (Mr. Laurendeau): The honourable Minister of Highways. Is there leave for the honourable minister to debate? Agreed? Agreed.

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Acting Speaker, my colleague, the Minister for Rural Development (Mr. Downey), and my colleague, the Minister of Natural Resources (Mr. Enns), in their comments here have motivated me to get involved in this debate. It seems that most of the interest, of course, is being generated from this side of the House here when I look at the—I am being very cagey in terms of not making reference to those who are or are not attending, but I have had some thoughts that have been bothering me for a time.

We are going through some economic hard times in this province and in this country. On many occasions where I have had the privilege to speak to people, I have indicated that we have very rich programs in this province as well as in this country and that somebody has to pay the bills.

When you look at paying the bills, I think we all enjoy the programs that we have, the health programs, education programs, family services programs. I think they are required, but somebody still has to pay the bills. I have thought many times, if I had a million dollars, would I invest it to make more money, or would I just maybe take and put it into savings. I could probably live off that quite comfortably.

So what basically makes people want to invest, whether it is in mining or whether it is in business? If one looked at it from its own selfish perspective as an individual, then we would say, well, we will just put the money into savings, and we will not invest. So how do you get corporations, companies, individuals to invest in terms of the mining aspect of it or in a business? I do not know. That is the question. I think it is a very important question.

It comes back to the philosophy that we have generated and proposed from time to time. You want to create a climate that is conducive for people to invest. To create that, you have to make provision that they can make money at. When you look through this province and you look through other provinces and you look through other countries, the world has shrunk. I mean, if investors cannot get an ample return in this country here, they will move to a different country. That is why I think

it is important that we develop a scenario so that people feel comfortable coming in here and investing their money—Inco, Hudson Bay Mining and Smelting, others.

I had the occasion over the period of time since I have been elected to fly up north with the then previous Minister of Natural Resources, Brian Ransom. We travelled to the north, visiting some of the communities up there. We landed at a few places where there was mineral exploration going on, way out in the wilderness, limited services out there.

Mind you, I have to indicate that the people who are up there are treated relatively good, in spite of the fact that you are living with flies and insects and limited facilities. One thing they always did have out there was good cooks. They had good cooks. They had a good cook shack, and you ate well out there. I think you have to do that in order to keep these people who go up there and spend their time and do the explorations.

Being an outdoorsman, I have had an occasion to hunt and fish over the years in many parts of Manitoba and travelling north of Grand Rapids and that area towards Ponton. You people from up north know that area well. Having travelled there on both sides of No. 6 highway and to the outback for hunting and fishing purposes, found many -(interjection)-no, this was on my own time, over the years, quite a few years ago already, found many mining sites where they had—in fact, I was a little critical because I felt they had not cleaned them up properly.

They still had their core, stacks and stacks, still piles of the core. What would you call it? I do not know the technical term. Anyway, all this rock was there. They also had left some messes there. There were fuel tanks and stuff of that nature. I felt a little critical from time to time that they should have maybe cleaned it up. There were a lot of sites like that.

Coming back to the point, you have to have people who will go out and actually do the work, create the money to go out there and do the exploration. That is what we get back to. You have to create an environment that will allow people or make it interesting for them to invest nowadays. Those countries that have done this well create wealth, and when you have wealth you can take and

afford the kind of programs that we basically all are proud of here in this province and in this country.

So by and large, mining, the resource aspect of it, I think is very important. Reference is sometimes made that we are a have-not province. Maybe compared to the oil-rich Alberta we are. Maybe to the potash-rich Saskatchewan we are, but I think we have a lot of potential.

I think there is a lot of mining potential out there that we have not fully exploited, and these companies when they do that, in fact, I do not know to what extent we get the information, and I have to check with the Minister of Energy and Mines (Mr. Neufeld) as to whether when we give people the right to go out and do the exploration, whether that information is available to the public or to the government, when we give them a lease, these are technicalities I am not sure of.

I know that just a few years ago that they did exploration in southeast Manitoba, would you believe it, around Whitemouth Lake. I am still trying to find out exactly whether they found anything or not, because the first thing that hit me being the representative for the Emerson riding in the southeast area was if there was something there it would help create wealth in an area where we needed employment. I think we all feel that way. I felt strongly that way for my area. I think we all feel that way as elected members for the province that this happens. I think the ripple effect of something of that nature is dramatic. How do we get these people—you know, coming back to the point—how do we get them to invest?

I had the occasion to fly to the Northwest Territories and on this side of Eskimo Point there was that gold mine—it just slipped -(interjection)-Cullaton gold mine, thank you. When we were travelling we actually stopped there, this is the middle of nowhere. They have an airstrip. We landed there with a big plane. There were other elected members from across Canada at that time. It was one of these commonwealth parliamentary trips, and we had occasion to go out there, and they actually took us into the mine—a very interesting experience.

* (1600)

I looked at the facilities that they had out there, and incidentally it is closed since that time already, I think the gold prices—I wonder how do you start off a mine in the middle of nowhere. You cannot get at it

with equipment, and they found it most interesting that they take these big planes—what do you call them, these—not airbuses, but the ones that have—you open a chute in the back. I do not have the name for it, but they told me that when they finally had identified a gold resource there, in order to start off, the first thing you need out there in no man's land, you have to get an airstrip so you can get equipment and people in. They sort of had an area—they took this big plane with a cat in there, the cat was in the plane and they travelled and they went right as low as they could and then turned it nose up and goosed her, opened the shoot and down she went. She fell some feet, and I found this very interesting. Then they had people move in, fix up the little bit they had to fix up and then they started grading a strip. Once they had a strip they started bringing in supplies. To do that, the cost of that—this is big stuff.

It is a little different, for example, Inco at Thompson they have roads, they have a railway, they have airstrips. It is a little easier to do that, but they probably started somewhere along the same line at one time.

I am just saying that when it comes to mining, we have to try and create an environment that by and large will help people who have the big money to want to do it. They have to be able to make money. Nobody is going to open up a mine if they are not going to have good returns. The investors that invest in these companies, if they cannot get a return for their money, they are better off to stick it in the bank.

Poor folk like myself always say, if I had a million dollars, would I take a chance and invest it in a mine when we saw what happened at Lynn Lake? I think I would get very selfish and say, hey, I am going to be a little protective of that.

When you make it that tough—we have had that sort of philosophical debate in this House where we are being accused of trying to help the big corporations and somebody is for the little guy. I think we are all for the same thing; that is basically to be able to create that kind of wealth through mining, and we have the resources. Anybody that has flown northern Manitoba, you get up in the air and look. Over two-thirds of this province is basically rock and lake. There is a lot of potential for mining up there and especially when we look at the eastern side of the province which has been virtually untouched.

I know that, with the environmental concerns we have, any mining that will be taking place there in the future some time is going to have to be done with much concern for the environment. If we make it so tough for people to get into this business, then they do not want to get into this business. It all hinges on that to some degree, so I think aside from just this bill here, we have to rethink about how we treat people who are going to be coming into this province and investing money in mining.

I think back to the time when I first was elected in '77. That is one of the problems when you have been here for awhile; you start having a long memory. There was a fellow, a representative for the Morris area, Warner Jorgenson, who from time to time related this story about the little red hen that was busy working all the time. I will not go into the full details of it, but I think you all heard it, how the little investor's red hen looked after everybody all the time until all the ones that were not participating said it was wrong, do not do it. Ultimately, the little red hen did not lay eggs or bake any more bread. As a result, everybody was hungry. I am doing that in a nutshell.

That philosophy, oversimplified, still has to be thought about, because we have very good programs in this province. When you talk to the people out in the rural area and the city, they realize we have good programs—health, education. We have to be realistic though in terms of the costs of it, and you have to have wealth to do that. I hope that what this bill is basically doing is going to help create some of that wealth somewhere along the line, so that we can continue with these kinds of programs. Thank you, Mr. Acting Speaker.

House Business

Mr. Manness: Mr. Acting Speaker, I ask for leave also to speak to this bill, but before I do, I am wondering if I can make an announcement of House Business.

Mr. Acting Speaker, given that there does not appear to be a desire by all members of this House to speak to these very important bills, I think I will ask the House for unanimous consent to not sit tonight from the hours eight o'clock to ten o'clock. I am wondering if we could petition the House to see whether or not there is a willingness not to sit tonight.

The Acting Speaker (Mr. Laurendeau): Is it the will of the House that we not sit tonight? Agreed?

Agreed. Is there leave for the minister to debate? Agreed? Agreed. There is leave required.

Mr. Leonard Evans (Brandon East): What leave is the minister asking for?

The Acting Speaker (Mr. Laurendeau): The leave is being granted to allow the honourable minister to debate. The debate had been closed.

Mr. Leonard Evans: To close the debate on this bill?

The Acting Speaker (Mr. Laurendeau): No, just to debate.

Mr. Leonard Evans: Oh, to speak—I am sorry—on the particular bill that we are dealing with.

Hon. Clayton Manness (Minister of Finance): Thank you very much, Mr. Acting Speaker. It is a pleasure to rise today and speak on Bill 6, a very, very significant bill, economic in nature and therefore I can understand why members of the opposition benches will probably decide to make very few speeches on an important bill like this. After all, it is a comprehensive economic bill, one that is wealth creating, wealth providing, and I would have to think that there will be very few speeches from the opposition benches on this very important bill. I am sure just the thickness of it will scare away most members from wanting to read it and, therefore, to give some knowledgeable response in debate.

This bill has taken years to prepare, and members that are anywhere remotely close to government would understand why it has taken so long to prepare. This has been a herculean task by officials in the department plus drafting officials, and I say to members opposite, I just hope that they will take the time and the effort to read the bill in its entirety and, beyond that, will take the time to respond to it. Our very well-being of a province depends to the extent that we are prepared as legislators in a united fashion to lend support to a primary industry.

Let me say it is time to revisit the direction that the province wishes to take with respect to the well-being of the mining industry. Mr. Acting Speaker, there was a time in the past, and colleagues of mine have already referred to it, particularly in the early '80s, when the NDP government in power said, if you are a mining concern, you are making money and we want all of it. Yes, we will leave you a little bit to pay your employees, but after that we want the rest of it.

What did we inherit when we came into government? We inherited a 20 percent mining tax, the highest in the nation. We also inherited as a new government, through the fallen budget, a decision by the NDP to remove, for instance, the minimum processing allowance of 15 percent. Mr. Acting Speaker, the attack was on. The NDP decided in their wisdom that the Incos and the HBM&Ss of this world were really not welcome. The best way to rid the province of these large multinationals was, of course, to tax them out.

Thank goodness reason prevailed, and the Conservative government came into being. I can assure you that this government, through the Minister of Mines (Mr. Neufeld), certainly through myself and other ministers, has had a very warm dialogue with representatives of these mining concerns as they look forward to continuing to produce at record levels, not only to support a product that finds its way into the export market, that brings foreign exchange earnings to this province, that contributes to the standard of living of each and every one of us, but beyond that, creates so many jobs in the Thompson area and in the Flin Flon area—many individuals, of course, who take their livelihood for providing the fruits of their efforts to the mining activity.

Mr. Acting Speaker, what I find so ironic in this whole issue is that many of these same individuals lend their political support to the NDP, which is their democratic right, yet members opposite see fit not to support the government when it attempts to bring forward taxation measures, when it brings forward changes in regulations and policies which will provide a greater opportunity for the corporations, in this instance, Inco and HBM&S, to profit. I find it absolutely ironic that members opposite—(interjection)—and my colleague says, appalling. I find it even appalling that they would stoop to those levels.

* (1610)

For instance, I do not expect the member for Brandon East (Mr. Leonard Evans) to even address this issue, and I will tell you why—because this is primary production and this is good news. If it were manufacturing, were it something to do with economic statistics that showed there was a service job decline, he might be tempted to address it, but this is wealth creation. I say, because of that, the member for Brandon East will not even tire his eyes by going through this bill because it represents good

in an economic fashion. I say to him, shame, shame. I just hope that he will stand to the challenge, stand up and address the well-being of the mining industry in this province.

Mr. Acting Speaker, there is a fundamental problem coming if we are not friendlier to those—and the Minister of Highways (Mr. Driedger) talked about those individuals in society who take tremendous risk to invest their personal capital, their personal savings, to try and profit. It is funny one should mention this—I digress for a second. Maybe members of the House will find this interesting. My son took some of his very sparse savings this summer, and he lent it to a friend who was going to fix a car or something. They were significantly many hundreds of dollars. The friend is now in Calgary without work, and of course, the money is long gone.

My son was lamenting this fact to his grandfather, and his grandfather said, well, you know, in the long run, it might be a cheap lesson. I will tell you what happened to me. When I was married, in 1950, I had been married for three or four years, somebody came to the door telling me about this tremendous mining opportunity in British Columbia—gold, 1950, gold mine, guaranteed. Somebody from the area was dispatched out, expenses paid, to go and look at this mine. The shaft was drilled. I can tell you, they walked in, and they could see it. It ended up being quite a shaft.

Mr. Acting Speaker, my father, my son's grandfather, of course, said he took a thousand dollars out of all the egg and cream money at that time and invested it blindly, for a larger return, into the mineral industry. Well, those shiny, sparkling, gold-looking veins that were running through this mine were gold all right, but it had an adjective before that. It was fool's gold.

I guess the point one has to make if you are serious as a province and as a nation about wanting to promote this industry—and I want to tell you, as somebody who is not akin to this industry—having been in office now for three years, I have developed a tremendous appreciation for what it can do to not only northern Manitoba as far as economic activity, but what it does to this province as a whole. Anybody who is on this side of the Speaker who does not take seriously the impact and the economic well-being of the mining industry does so at their folly and really does so in a shortsighted fashion.

Mr. Acting Speaker, the point I am trying to make is that government, whoever it is, has to decide where they want the mining industry in this province to go. In discussions that we had for instance with Inco—I mean they tell us over and over again the opportunities they have for instance in Indonesia where the deposits, in the nickel sense, are so much richer.

Yet what is holding them back from moving so much of their operation there is the fact that you have a tremendous productivity factor in spite of the high wages that are paid in Canada, but, in general, year after year after year a high productivity rate in Canada and particularly in Manitoba.

Mr. Acting Speaker, there are fundamental building blocks here that can support the mining industry, and yet the government of the day has to make rules that are conducive to those people in society who are prepared to first of all explore and secondly produce. That is what this bill is all about.

When one wants to go through the major sections—and I will not, but when one wants to look at all of the issues—licences and permits and under that, prospecting licences, exploration permits, airborne survey licences, and then there is another part that deals with claims. I am not referring to clauses or anything. I am just talking about the principles of the bill.

One looks at the area dealing with claims and drilling and mineral leases and quarry minerals and surface rights use of lands and pooling and royalties and collection and statistical returns and rehabilitation, which I know may be the only point that some members opposite wish to address—the whole area of rehabilitation, Mr. Acting Speaker—and public safety and hazardous lands, one realizes the import, the significance, the comprehensiveness of this bill.

Mr. Acting Speaker, members opposite have an important role in the debate on this bill. I look forward to their representations. I am going to want to see whether or not they are going to ask the government of the day to consider incentives. What are they going to ask them—to do something about the very high level of mining taxes that exist in Canada.

I am going to ask them, and hopefully they will comment as to whether or not the province of Manitoba which has been hurt by the fact that we do not collect our own corporate taxes as Ontario does

and therefore are caught in this problem of trying to split the economic stream, the net revenue stream of some of our companies. I am going to want to hear the member for Broadway (Mr. Santos). I want to hear whether he is concerned about it, or whether he only wants to stand and talk about whistle blowers in government. I want to hear whether he cares about the economic well-being of this province because, if he does, Mr. Acting Speaker, he will talk about the mining future of this province.

Mr. Acting Speaker, our province has unlimited mineral potential, but I ask the question rhetorically to those of us who have been selected by our fellow citizens to represent them in this house: Do our people, do they want the minerals in this province developed, leading toward greater production? Well, I got at least a nod in the affirmative from the member for Broadway, but I do not see any other response from members, which leads me to believe that if they had their choice they would just as soon be rid of these larger multinationals who employ so many hundreds of people in our province.

Mr. Acting Speaker, this act -(interjection)- Mr. Acting Speaker, did somebody say that is what they wanted?

An Honourable Member: They wanted to drive them out.

* (1620)

Mr. Manness: Mr. Acting Speaker, I did not hear it first-hand, but it has been reported to me that there are some members in opposition who would just as soon see these large companies driven out of the province with all the job creation potential. I say to the members who might even be thinking along that way, shame.

Mr. Acting Speaker, this bill goes a long way to simplifying rules, to making the process of exploration more readily definable, to making it more understandable for those who are going to risk tens of thousands of dollars of risk capital, all toward greater profit.

I know that is a hard word for members opposite to accept, but this is one industry that is not going to be successful in the future unless there is profit potential. As I say to members opposite, if we care at all about the economic well-being of our province, the standard of living all of us wish to see, I say to the members opposite, then let us support this bill once the members have taken the time and the effort to read it. Let us support it in a fashion which is

worthy of our province. Let us give it speedy passage. Let us move it quickly through committee, where people in our province can come forward and make representation to it, because it is an important economic initiative.

When members opposite stand daily and ask, what are the economic plans of this government to improve the economic well-being, I say to the member for Brandon East (Mr. Leonard Evans), this is part of the economic plan.

An Honourable Member: Where is the rest of it?

Mr. Manness: Oh, so he says, where is the rest of it? Mr. Acting Speaker, the budget will give him also a significant portion of the rest of what is important to the economic well-being of this province.

Mr. Acting Speaker, I would, with those very few remarks, certainly recommend, as the Minister of Mines (Mr. Neufeld) has done already, this bill to the House. Hopefully members opposite will see fit to debate it in an expeditious manner because, I say to them, the industry is waiting for signals that the government, indeed the Legislature of this province, is in support of initiatives that are going to bode well for economic prosperity in this province in the years to come.

Thank you very much, Mr. Acting Speaker.

The Acting Speaker (Mr. Laurendeau): Is it the will of the House to call it five o'clock?

An Honourable Member: No, there are other bills, Mr. Acting Speaker, Bill 8.

Mr. Manness: Mr. Acting Speaker, with the leave of the House.

The Acting Speaker (Mr. Laurendeau): As previously agreed, the matter will remain standing in the name of the honourable member for Point Douglas (Mr. Hickes).

(Mr. Speaker in the Chair)

Bill 8—The Vital Statistics Amendment Act

Hon. Clayton Manness (Government House Leader): Mr. Speaker, as I announced before, with the leave of the House, I move, seconded by the Minister of Urban Affairs (Mr. Ernst), that Bill 8 be read a second time at this point.

Mr. Speaker: Is there leave of the House to introduce Bill 8 for second reading? Is there leave?

An Honourable Member: No.

Mr. Speaker: No. Leave is denied.

Bill 33—The Legislative Assembly Amendment Act

Hon. Clayton Manness (Government House Leader): Mr. Speaker, as I indicated before, with the leave of the House, I move that Bill 33, The Legislative Assembly Management Act Amendment Bill, (Loi modifiant la Loi sur l'Assemblée législative), be now read a second time.

Mr. Speaker: Is there leave of the House to do second reading of Bill 33, The Legislative Assembly Amendment Act. Leave? No. Leave is denied. -(interjection)- Order, please.

Mr. Manness: Mr. Speaker, seeing that leave has not been granted, I then would ask that you call private members' hour. I do not know, formally, how we go to that point. We will call it five o'clock.

Mr. Speaker: Is it the will of the House to call it five o'clock? Agreed? That is agreed.

The hour being 5 p.m., it is time for Private Members' Business.

PRIVATE MEMBERS' BUSINESS

SECOND READINGS—PUBLIC BILLS

Bill 22—The Manitoba Energy Authority Repeal Act

Mr. Speaker: Bill 22, The Manitoba Energy Authority Repeal Act; Loi abrogeant la Loi sur la Régie de l'énergie du Manitoba.

An Honourable Member: Stand.

Mr. Speaker: Stand.

Bill 23—Manitoba Intercultural Council Amendment Act

Mr. Speaker: Bill 23, Manitoba Intercultural Council Amendment Act; Loi modifiant la Loi sur le Conseil interculturel du Manitoba, standing in the name of the honourable member for Inkster (Mr. Lamoureux).

An Honourable Member: Stand.

Mr. Speaker: Stand.

PROPOSED RESOLUTIONS

Res. 2—Sick Building Syndrome

Mr. Speaker: Resolution of the honourable member for St. James (Mr. Edwards), Resolution 2, Sick Building Syndrome.

Mr. Paul Edwards (St. James): I move, seconded by the member for Inkster:

WHEREAS structural and environmental conditions within workplaces affect the persons working within those workplaces; and

WHEREAS newer buildings can contain dozens of pollutants including benzene and octane; and

WHEREAS studies have shown that within sealed buildings only 20 percent of circulating air is fresh from outside, the remainder being recirculated air often containing volatile organic compounds and micro-organisms; and

WHEREAS Sick Building Syndrome is a chronic problem in many office buildings; and

WHEREAS Sick Building Syndrome may lead to physical discomfort and health problems among the occupants of the building; and

WHEREAS health problems due to Sick Building Syndrome lead to a loss of work days and reduced productivity; and

WHEREAS this problem has received little recognition as an occupational health hazard.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the Minister of Labour to direct his department to compile information regarding Sick Building Syndrome in Manitoba; and

BE IT FURTHER RESOLVED that this Assembly recommend that the Department of Labour monitor and develop a plan to alleviate the problems that lead to Sick Building Syndrome; and

BE IT FURTHER RESOLVED that this Assembly recommend that the Department of Labour develop a plan to educate builders and the public about Sick Building Syndrome and its consequences.

Motion presented.

Mr. Edwards: Mr. Speaker, it gives me great pleasure to have this resolution before the House. I believe it is a resolution whose time has come. The issue was brought to my attention—I think it is important to note from the very outset—both by representatives of management and by

representatives of labour. Therefore, I come to this House today seriously looking for agreement from all parties as to the importance of this resolution and the importance of its passing.

* (1630)

It is one of those rare opportunities where we as members of the House are asked to consider something which both sides of the labour equation have asked us to. We all know in recent history in this province that is not a common occurrence. We see management's concerns clearly put to us in the loss of productivity of members of the work force through illness, and the problems of ill workers in the workplace are enormous and enormously exacerbated by buildings which contain pollutants which lead to regularly missed work time and work time that is not used to its fullest potential by workers who are suffering from chronic illness, oftentimes if not caused, at least exacerbated, by pollutants in the air.

Mr. Speaker, having said that, I do call on all members to seriously consider passing this resolution because it has come to us in a nonpartisan form from members of the labour community, most notably the Occupational Health and Safety Branch of the Manitoba Federation of Labour, as well as the various business interests in the community.

I have spoken to members of both of those communities and they are generally supportive of further investigation and further activity with respect to this problem. It is a problem that is in many respects invisible, and I do not mean that just in a literal sense—of course the pollutants are invisible in the workplace—but it is a problem because it is not like an occupational hazard that you can actually see, like a poorly designed machine which poses an occupational hazard or large debilitating problems in the workplace. Those are physical things which we can see and we can say this needs to be corrected.

This is an invisible, a detriment in the workplace because oftentimes the chronic illnesses are first attributed to something else. The first attribution they get is it is just general illness and it does not tend to kill people or maim people. What it does is, it just makes them chronically ill and anybody who has suffered in that type of work environment can tell you the impact that it has on their general enjoyment of life and their ability to do their job. So

it is something which requires political attention, and political attention does not come easily, but I think we can learn from many other jurisdictions.

I intend, in the brief time I have, to run members of the House through some of the examples we have of the seriousness of this problem, starting firstly with the statement from the Health and Safety Law Journal, October of '88. I bring to members' attention that at that time a case was decided in Ontario which for the first time recognized sick building syndrome under the Workers Compensation scheme.

That was a very significant first because the Workers Compensation recognized that the building that a worker was in was simply so detrimental to their health that their inability to work could be and was compensated under Workers Compensation and that was a significant first in Canada. It rose out of a worker who was suffering a series of health problems, not identifiable to any one cause, but cumulatively the cause was determined to be the building that that worker was working in.

As well I have with me today a statement from the Manitoba Government Employees' Association and I look to the New Democratic Party to support this resolution given their Leader's involvement with the MGEA, which is clearly an organization which deserves our attention and respect on an issue of occupational health and safety. They represent many office workers and it is not entirely but predominantly office workers who work in these buildings where the ventilation is so poor and is oftentimes filled with the micro-organisms and the pollutants which just chronically cause health problems.

The MGEA said they did a full investigation of the Manitoba situation and they concluded that the effects of the sick building syndrome were real and not psychological and (b) they concluded that they were related to the buildings involved, in this particular case study, a three-storey building here in the city, and they also concluded that it took a significant amount of union pressure for the landlord of the building to come to the recognition that there was a problem.

It is important to stress again that business is looking for assistance from the government in setting air quality standards, and they are looking for that assistance. It starts as an investigatory and a research initiative because they want to know as

well how they can better ventilate their buildings so that they get the maximum productivity out of the workers. If you know the business community, you know, Mr. Speaker, how concerned they are about lost time due to sickness and illness. It is of extreme concern.

Every business in this province writes off a certain percentage each year of their productivity—time they pay for—for workers who simply cannot come to work, cannot do the job and it is oftentimes just a general malaise: colds, flu, sore throats, allergies, those kinds of things. Those workers, it has been proven again and again and again, are made much more susceptible to those illnesses because of poor air quality or fungi or micro-organisms in the air.

Mr. Speaker, moving on, I draw members attention to a 1989 problem right here in this city where staff of the Children's Hospital at the Health Sciences Centre and authorities alike were puzzled for a substantial period of time and finally determined or believed that sick building syndrome might be the cause. They looked at the ventilation system.

We do have experiences right here in Manitoba of this problem, and one of the interesting sidelines to this in Manitoba is that because of our very cold winters and often very hot summers, the builders of buildings are encouraged to make their buildings as airtight as possible. They do that because to lose air is to spend more money on heating new air in the winter and in the summer more money on air-conditioned air.

So Winnipeg is one of the centres in the world where it makes most sense to have airtight buildings and that has led to the unfortunate circumstances. There is oftentimes a very low percentage of fresh air in a building and that means the concentrations of bacteria and micro-organisms, which can cause sick building syndrome, are often heightened in those buildings which, of course, are the newer buildings but also buildings in this type of a climate where airtightness is given a priority.

Mr. Speaker, all the more reason why we in Manitoba should be leading the way in maintaining standards of fresh air in buildings and regular maintenance and checking and cleaning of ventilation systems and ducts which are oftentimes the breeding grounds for fungi which end up in the air and affect people's health.

I also draw members' attention to a copy of contract clauses, and this is a publication from as far back as June of 1984, almost seven years ago. At that time, this publication drew to readers' attentions that there were increasing numbers of unions that were demanding and receiving assurances from corporations and employers that air quality be maintained and that a certain quality of ventilated air and quantity of ventilated air be pumped into the workplaces. Increasingly those are becoming parts of collective agreements.

Mr. Speaker, let us not wait for unions to have to throw this into the bargaining mix—which they may or may not get—for the benefit of workers. Let us take the progressive; let us take the greatly neglected step and be leaders in this country on the issue of the quality of air. We have the opportunity in Manitoba.

I went through the Estimates process with the Department of Labour and questioned on the issue of what research was being done, and I was shocked to learn that we are doing virtually nothing. At least those are the answers we received. Now, if the minister can stand up today and tell us otherwise, I look forward to that. I want to hear that things are happening with respect to air quality in buildings around this province.

One other source or a couple of other sources I would like to reference for members is that the World Conference on Indoor Air Pollutants took place in Canada in Toronto recently. At that conference the number of delegations doubled from the prior conference, showing the level of world interest in this issue. As well, there were over 500 papers presented at that time from sources around the world.

* (1640)

The former President of the Canadian Builders Association and Managers Association, Mr. Fred Speer, who is also a Director of the Campeau Corporation—of course, he may no longer be the director of Campeau Corporation knowing what happened to Campeau Corporation; however, an extremely knowledgeable business person, not a union person—an extremely knowledgeable and influential business person said, and I quote, that energy-saving airtight buildings became fashionable during the energy crisis, but trapped the indoor pollutants and mutated into monsters the

developers are gradually having to deal with. That is what a captain of industry said.

We clearly have consensus from both sides of the labour equation that something has to be done with respect to air pollutants, and something has to be done very quickly. Management does have a vested interest in the productivity of their workers. They have recognized that indoor air pollution, which has been spurred by the increasing desire to minimize energy expenses in both heating and air conditioning buildings, has caused a substantial problem in our society.

Mr. Speaker, we also see that recently this has received some public attention. I am glad of that. Maclean's magazine has recently reported on this issue and given it some profile in one of their magazines, and in particular notes that the European community is leading the world on this issue. They have done a lot of research on this issue, and they have put into place legislation which guarantees air circulation and air quality in many of their buildings.

That is, I think, the type of step we need to take. I do not think we are there yet. I think in Manitoba we certainly need to do further research, but once we have done that, I think we have to be willing to step forward for Manitoba workers and guarantee them a level of air quality which is adequate and acceptable for all of us, because the ultimate cost is not just the human cost of those workers who are ill.

The cost is born by the Workers Compensation scheme which now is obliged to recognize sick building syndrome as a cause of illness, employment illness. That ultimate cost is passed on to the employer. The cost is born in terms of loss of productivity of workers which costs us all, Mr. Speaker, in that it is a cost of business which is passed on to the consumer.

Mr. Speaker, we also have indications from other jurisdictions that they have moved in this area. I draw members' attention, in particular, to Prince Edward Island, New Brunswick, and Quebec, all of whom have legislated in this area under their Workplace Health and Safety schemes and have put into place certain guarantees as to the natural ventilation, the bringing in of new, fresh air as a percentage of floor area, and have also legislated in the area of relative humidity. Humidity, as well, is a significant contributor to the number of fungi in the air.

Very dry air is also uncomfortable, but the fact is there is a happy medium between humidity which will increase the number of micro-organisms in the air which can injure people's health, lead to illness, and the dryness of the air which we in Manitoba suffer from in the winter months. Members should know that other jurisdictions are already far ahead of us in this area. I do stress again, New Brunswick, Prince Edward Island and Quebec have all moved in this area. I believe that it is high time that we did the same.

I call on members to recognize this problem as a problem whose time has come. I call on members to be progressive and forethinking about this issue and not ignore an issue that is easy to ignore, because it is not, again, something that strikes us as something you can see, something tangible that is going to injure workers. It is not like that. It is an invisible danger in the workplace, but it is a real danger. Mr. Speaker, anyone who has been in many of the businesses, in many of the buildings—I dare say government buildings—knows that the air quality can be awful in those buildings. Combined with the fluorescent lighting, it can be a very, very uncomfortable place to work.

With that, I see that my time is regrettably up. I have a number of other authorities which simply attest to the continuing problem and the known problem. I call on members to support this resolution as a resolution whose time has clearly come. Thank you, Mr. Speaker.

Hon. Darren Praznik (Minister of Labour): Mr. Speaker, the member for St. James (Mr. Edwards) has brought forward this particular resolution, and he has outlined to this House a problem that is certainly there in many buildings, not just in this province, but in all the world where there are buildings of greater than one or two stories. He has outlined a very serious problem, and I certainly respect him for bringing this resolution forward, but I have to say to the member for St. James—he spoke at some length about how Manitoba is behind in this process, how nothing is being done—the reality is far greater than what the honourable member would have us believe.

I am pleased to inform this House that for some two and a half years, a federal-provincial working group representing most of the provinces in Canada, most of their Workplace Safety and Health or equivalent branches as well as the federal government, this particular working group of the

Advisory Committee on Environmental and Occupational Health has been developing a very critical part of the attack on the sick building syndrome, a standard protocol for the investigation of indoor air quality.

As well, this working group is just about at the process of tendering to all of the various departments involved a draft of their protocol and proposals. I would expect to be getting that shortly and reviewing it for implementation. I cannot stress enough, Mr. Speaker, that as in so many areas where we are dealing in important Workplace Safety and Health issues—and hazardous materials come to mind—the importance with other jurisdictions in this country, with the federal government involved, to develop a standard uniform protocol for dealing with these issues across the country. Not only does it make it much easier for everyone involved, but it allows us to share the great wealth of expertise that exists across this country in developing such a protocol. So when that protocol is available, Mr. Speaker, and becomes a public document, I would be more than pleased to share it with the member for St. James (Mr. Edwards), indeed with all members of this House as we look towards implementing that particular protocol.

I should tell the member for St. James (Mr. Edwards), although he would imply that the Workplace Safety and Health division of Manitoba Labour is doing nothing with respect to sick buildings that while the protocol is being developed, there is much work that is presently being done.

The member for St. James talks about awareness and that is very true. One of the biggest hurdles in overcoming this problem, because it is an immediate problem and is not a problem of poisoning in an immediate sense where someone is ill and off to the hospital, as is so often the case in matters that we deal with in Workplace Safety and Health, but it is a case of long-term irritation, long-term health effect and to that end, public information, awareness, is very, very important.

It is important that employees and people working in those buildings are aware of what potential problems are there. It is very important that the owners and managers of those buildings are fully aware of the irritations and risks that exist in many of our buildings because of poor indoor air quality and take the steps to alleviate or to minimize those difficulties.

Mr. Speaker, currently the Workplace Safety and Health branch now provides information to building owners as to how to resolve these issues. Building owners are advised to inspect the building ventilation and humidification systems and ensure that they are in proper operating condition. Supporting literature and information packages are currently being developed that will be made available to building owners in the very near future as we develop our expertise. As well, the department has been involved in a number of co-operative committees established by employers and workers to resolve specific cases in specific buildings.

I should just point out to the member for St. James (Mr. Edwards), indeed all members of the House, that one of the great difficulties that our inspectors encounter in dealing with sick building syndromes is identifying the actual cause of the problem. Although we have a general idea where problems are coming from, I am advised by my senior inspectors that sometimes it can take up to a year to actually identify the specific cause of the problem in order to alleviate that problem.

* (1650)

It is not a simple matter, it is a rather difficult one, and it is a complex one that I think indeed all jurisdictions in Canada, including Manitoba, are currently working on to develop. As I said, this protocol, the kind of literature, the kind of information that will allow us to reduce that type of identification time and I think more importantly, when we are renovating buildings or constructing new buildings, Mr. Speaker, to have the kind of systems in place that do not produce the problem to begin with. All of that type of development work is currently under way, and I am very pleased that we are going to see the conclusion of the development of that protocol in the very, very near future.

I should just add for honourable members, that Ms. Margaret Day of the Manitoba Government Employees' Association, the Safety and Health representative for the MGEA, and the MFL, Safety and Health committee have been briefed on this issue in terms of where we are with our departmental work. They will also be a part of Department of Government Services, Department of Labour and MGEA joint committee to review technical aspects of this issue as it relates to our own Manitoba government workers. Again, I think a very co-operative fashion between all of us who are

stakeholders in the buildings in which we work: the government, the MGEA and certainly the Manitoba Federal of Labour, which is the umbrella organization for the MGEA.

Mr. Speaker, when I read the resolution presented by the member for St. James (Mr. Edwards), and I look at the points that he is urging this House to call upon the ministry of Labour to perform, I am very pleased to tell honourable members that we are in fact in the process of doing now just what the member for St. James is calling upon this ministry to do. Although his comments and his thoughts are appreciated, and although he has certainly brought to the floor of this House an issue that is very topical, indeed very important, and one that we should be addressing, the reality of it is it is being addressed, I think, in a very sensible, very straightforward manner, a manner that is going to develop the protocol and the material that will bring about a resolution to this, both in the short term and the long term.

So I am pleased to assure the member for St. James as well as all members of this House that, although this is certainly a topical resolution, it is certainly an important issue, it is one that the work that the member for St. James calls for is presently well under way, in fact, coming to its conclusion in the development of the protocol.

I am pleased to say that this resolution, again, although it provides, I think, a useful discussion on an important issue, is one that is somewhat out of date, Mr. Speaker, and consequently I am pleased to inform the House that the matters that the member for St. James (Mr. Edwards) raises and the action that he calls upon the Minister of Labour to undertake are well under way. I will be most pleased to share with members of this House, indeed with the member for St. James, should he require a briefing from our departmental staff once the protocol becomes a public document, is completed—I will be more than pleased to share that information with him. Thank you, Mr. Speaker.

Mr. Steve Ashton (Thompson): This resolution talks about sick buildings, Mr. Speaker. There are some that would suggest this very building is a sick building, and I am not referring to this Chamber in particular, or any particular members. -(interjection)- Well, the member for Pembina (Mr. Orchard) says that he was. I was not referring even to the member for Pembina. I was referring to the fact that over the years I have heard many employees, and indeed

many members of this Assembly, making very significant complaints about this building, beautiful as it is, but in terms of the work environment.

I remember a number of years ago there were MLAs that had complained very much that they were subject to the sick building syndrome. In fact, the former Speaker of this House, I remember, used to indicate that she felt there were difficulties in this building in terms of the working environment.

I raise that as an example because you do not have to go into even the more modern buildings, as has been suggested by the member for St. James, to run into the type of difficulty that many employees are faced with. What we are dealing with essentially is the result of a number of conflicting pressures that any particular organization, whether it be government or business, is faced with in constructing a building. Obviously, a building is, indeed, a workplace unless it is a residential building, but if it is a workplace, what criteria go into the construction? Obviously, we have building codes, we have safety provisions, Mr. Speaker, but we have other balancing factors that have to be taken into account, energy consumption, obviously, being a major one recently. We have, also—in terms of the work environment, we often have a conflict. I take the case of energy conservation. We are increasingly seeing airtight buildings, airtight houses, as well, resulting in some of the types of problems that the member referred to in terms of lack of fresh air.

One of the reasons for that airtightness, if you care to use that term, Mr. Speaker, is the fact that it also prevents loss of energy through the exchange of air. Now there are mechanisms to deal with that, heat exchange systems that have been developed so that one can have ventilation and one can recapture as much as 80 to 90 percent of the energy that might otherwise be lost by expelling exhaust air from a particular building. Once again, there is a cost factor and that is the type of pressure builders are constantly faced with.

I would say in recent years the tendency has been in terms of energy conservation, and I applaud that. I think it is necessary. I think it is important. I have certainly seen over the last number of years, in terms of public buildings, it has been a major pressure, and it has been economically driven as much as by any altruism over saving our energy resources. The problem, as I said, Mr. Speaker, is that at the same time there has been less

consideration given to the work environment. This includes the air circulation factors that have been referred to, but I would suggest it goes beyond that. It includes other factors such as exposure to natural light.

I remember a number of years ago having the experience of going through a newly constructed high school where there were no buildings, the R. D. Parker Collegiate, Thompson, no buildings that had windows apart from the old structure. The bottom line, Mr. Speaker, is there were constant complaints I remember from the students at the time, about the impact that had on people. There have been medical studies, I might add, that show that there is a significant correlation between exposure to natural light and one's physical well-being, that the immune system is subject to difficulties when one is not exposed to a significant amount of natural light. In fact, there are experimental treatments now that expose people to either natural light or the components of natural light on a regular basis, and indeed there have been significant improvements in terms of help.

I might add, Mr. Speaker, that one often hears this complaint in terms of lack of exposure to sun during the winter. In fact, that is also where this technique has been shown to be effective. The simple fact of exposure to natural light produces health benefits and indeed produces significant psychological benefits.

I note, in looking around the Chamber today, that there may have been some members of this Legislature last week who were exposed to a significant amount of natural light. By looking at the various faces I see, I think it may have had some improvement on their psychological and physical well-being. It may not last very long with exposure to this type of environment but, Mr. Speaker, I am sure they can testify to the fact that exposure to natural light can have significant benefits.

Now I am not saying this in any way, shape or form to belittle a very serious situation that is developing in many workplaces. In fact, I am saying this to reinforce the fact that while this is in many ways a new area of concern, it is not an area where there is not some medical evidence. There is significant medical evidence, Mr. Speaker, to suggest that there are difficulties in the work environment. That goes beyond simply the question of exposure to air or natural light. It does

include the type of chemical and organic compounds the resolution refers to.

In fact, if one talks to anyone who has been involved with building or indeed conversely to people for example such as firefighters who have been concerned about what has been happening in the last 10 to 20 years, they will tell you that 20 to 30 years ago most of the components on the construction of a building, whether it be a house or an office, were essentially natural components. The last 20 to 30 years however, there has been a significant increase in the number of synthetic compounds that are used in the construction of residential buildings and commercial buildings.

I would note that one of the arguments that has been put forward for example for a firefighter in terms of their desire to have the reinstatement of the type of workers compensation coverage, Mr. Speaker, that they had previously, is the fact that when they go into a building now they face very severe risks in terms of exposure to chemicals and chemical compounds.

Anybody who has watched the debate in regard to the airline industry will be aware of that as well in the fact that the vast majority of people who are killed in air-related accidents do not die from the accident itself but often from the combustion of the synthetic materials that are both highly flammable and highly toxic in those aircraft. The same principle applies to buildings. I am not just referring to cases obviously of fires, I am talking about regular daily exposure to the by-products of those synthetic materials, Mr. Speaker, something which the resolution I thought fairly accurately pointed to.

* (1700)

There are other questions that have to be raised in this context. I note the continuing debate in terms of video display terminals. There is conflicting evidence on that, recent evidence suggesting that there is not the same sort of effect that may have initially been felt would be the case in terms of pregnant women in particular. The bottom line is, there is still a considerable amount of debate in terms of that particular issue.

There are other matters related to the internal environment. One I would point to, Mr. Speaker, and I know I would have full support in terms of this, is the question of secondhand smoke. That increasingly has been recognized as having carcinogenic impacts and the medical evidence is

clear. It is one of the significant health hazards in a significant number of buildings. We have taken action, and I can see it is creating a bit of disagreement amongst members to restrict smoking in this particular building.

I would add that at this very moment there is the so-called Members' Lounge, which continues to be used as a smoking lounge. I might add that I would never take my constituents in that lounge because of the smoke because I believe it is really a relic from the distant past. I recognize that there are some who will continue to smoke and indeed I have no difficulty with that, Mr. Speaker, but I would suggest even in our own building we could learn a few lessons from the trend towards greater health consciousness and restrict smoking in this building, I would say certainly in all public areas one of which is the Members' Lounge. Those are the types of issues really that are referred to in this resolution because indeed secondhand smoke is very much a part of the impact that a building and its atmosphere and particularly the lack of circulation of air and filtration of air can create.

I would point in this regard to the fact that there are people who are very concerned even about the limitations of our current nonsmoking policy. I had a call from a woman a number of months ago who was quite concerned about the fact she works in a building which is essentially a building that is air tight. The air that is circulated in that building is circulated from one area of the building to another. She said that as someone with an allergy to smoke, to cigarette smoke, she found that no matter where she worked in that particular building she was subject to that smoke, whether she was in the smoking or the nonsmoking area.

Mr. Speaker, I would suggest that is very much the same thing. I have heard members of this Legislature express concern about the fact that even this Legislature itself often has the secondhand smoke once removed that filtrates down from the so-called Members' Lounge into this particular Chamber. There are people who are concerned because of severe allergies. There are also people who are concerned, such as myself, someone who is not necessarily allergic, but the fact that this is a carcinogenic substance. Secondhand smoke is a carcinogenic substance. The medical evidence suggests that it is a killer, every much a killer as direct exposure to smoke.

I really believe that we in this Legislature should take a leadership role. I am sure you, Mr. Speaker, agree with me that we should severely question our own policies in this very building, severely question that. -(interjection)- Well, I see some support from the Minister of Rural Development (Mr. Downey) in terms of this whole issue of restricting smoking.

I would suggest once again that it is not just a question of one component or the other. There are many areas in this building where there is not adequate air circulation, particularly in the summer. One thing I have always found ironic is that sometimes we sit in the summer, sometimes we do not, but the people who work in this building are here on a 12-month basis.

I recognize that often one does not want to take a leadership role. Certainly MLAs, over the period of time that I have been here and others have been here, have not wanted to be seen as bringing in what might be considered something that was not necessary—air conditioning—but in this day and age, when most government buildings do have air conditioning, I must say, for the sake of the employees, not for members of this Legislature, I do wish that the process that has been established of improving air circulation but has not really been extended fully to include proper air conditioning in this building would be considered once again because it places a very severe burden on people who are forced to work in those circumstances.

In fact, in this building I would say we lag behind not only the public sector elsewhere, but also the private sector. The sad part is, as has been pointed out in debate previously on this resolution, productivity and the workplace environment are very directly related. I think anyone who has had to work in this environment when it can be 30 degrees-plus outside recognizes that the productivity is not as great as it might otherwise be.

That is increasingly, I think, something that has been recognized, one of the reasons why I suspect this is one area in terms of workplace safety and health where there is some general agreement between both the management side and the union side, increasingly so, because the unions are concerned about the health and well-being of their employees in the sense of representing them and wanting to improve that health and well-being. While I am not suggesting that management does not have that type of concern, in addition to whatever concern they have about the employee's

health and well-being, they obviously have a concern in regard to productivity.

Mr. Speaker, healthy employees are productive employees. Employees who work in an environment that is both healthy and is comfortable to work in are going to be more efficient in their work. With those words in mind, I want to indicate that we certainly support the sentiments in this resolution. We certainly feel there is need to highlight this particular area.

It is an emerging area, as I said, Mr. Speaker. There is increasing evidence of the difficulties in terms of the work environment that people are exposed to, but the evidence is not conclusive. It will be developing. It is a developing area but as we do find out more and more of the kinds of hazards that people face on a regular basis, whether it be in terms of their direct health, whether it be in terms of comfort questions or even in terms of the psychological elements as well, because those obviously have to be taken into account—the mental well-being. They all are going to affect us increasingly in the years to come.

I do believe that the Department of Labour, yes indeed, for the minister, in conjunction with other jurisdictions, can take more of a leadership role. In fact, as I said, Mr. Speaker, I would suggest we start in this building and try and turn it into a model work environment, not for MLAs, but for the people that suffer through this building, a tremendous, beautiful building as it is, but one in which the architectural splendor is unfortunately not always accompanied by appropriate measures to ensure a proper workplace. With those few comments, Mr. Speaker, we certainly support the intent of this resolution.

Mr. Kevin Lamoureux (Inkster): It was a great pleasure for myself to second this particular resolution introduced by the member for St. James (Mr. Edwards). I think it is a very worthy resolution for all of us to in fact support. I was very encouraged and pleased to hear what the minister responsible had to say about it. What I find somewhat strange is the fact, in talking to our critic during the Estimates process just a few short months ago, this is one of the issues that was questioned, and the minister failed to tell us anything about the government's plans.

In fact, what the minister told us today during private members' hour was kind of an eye opener.

If the government is doing so much work in trying to take the initiative, it surprises me that they would not tell us what their plans are or tell us what they are doing during the Estimates. That is in fact the opportunity for the minister to come forward and tell us what in fact he is doing.

Mr. Speaker, the minister agrees that this is a very serious problem. They have been working on it for the past two and a half years, he has said, and I would like to -(interjection)- the minister says the present member for Portage la Prairie (Mr. Connery) in fact did a lot of work on it, too. It is good of him to acknowledge that fact, but he was the minister in the last Estimates process. There was nothing wrong with him telling us what it is that the department is up to and what in fact they are doing to address the problem of this sick building syndrome -(interjection)- he says that was not what was asked.

I wanted to just go through the BE IT RESOLVEDs. We are asking the minister to direct his department to compile information regarding sick building syndrome in Manitoba. He says that is in fact what we are doing, that he is consulting with other jurisdictions, provinces, the national government and so forth. Then it says that this Assembly recommends that the department of Workplace Safety and Health monitor and develop a plan to alleviate the problems that lead to sick building syndrome. -(interjection)-

* (1710)

Once again, we are told that this is in fact what is being done. While other governments in other jurisdictions, while this minister or this government is waiting for a report when we do not know when it is going to come down, we see other provincial governments -(interjection)- the minister says that it is all part of a process. Well, we have seen other provinces—the member for St. James (Mr. Edwards) cited New Brunswick, Prince Edward Island, the province of Quebec. These provinces -(interjection)- the minister says that in Ontario the Ontario Workers Compensation Board has recognized the sick building syndrome, and hopefully, no doubt, we will see some type of legislation there, but there are currently other provinces that have taken the initiative, that have acted on this particular problem, something that the government of the day can do.

Then we go right to the last BE IT RESOLVED. This is something in which the government could

actually act upon, and it reads that this Assembly recommends the department of Workplace Safety and Health develop a plan to educate builders and the public about sick building syndrome and its consequences.

An Honourable Member: It has been done. The literature has been prepared.

Mr. Lamoureux: Mr. Speaker, the minister says it has been done. This is the first that we have heard anything about the literature has been prepared, that literature is about to be circulated. Why did the minister not say anything about that during the Estimates process? Why is that people in the work force and in the management ranks do not know anything about it?

The minister has some very good secrets that he should be telling more Manitobans and starting off with their own MLAs. The minister should take the initiative and come public with some of the fine work that he says that we are doing. I am glad that the minister has taken this particular issue as a very serious issue that needs to be addressed and, if that is the case, then I am sure that this government would agree to allow the resolution to pass.

There is no reason whatsoever, if the government is doing what it says that it is doing, to not let the resolution pass; unless, of course, it is not being done. If it is not being done, the resolution or the Assembly is asking the government to do it. Is that the real reason why this government would not want to pass this particular resolution?

Mr. Speaker, I do not really want to stand up and end private members' hour without this resolution to come to a vote. I would be more than happy to sit down if I knew the government was going to allow it to pass. The New Democratic Party says they will allow it to pass. I think the Conservative Party, the government of the day, will allow this resolution to pass. Even though I have waited awhile to speak on this particular resolution, I am willing to sit down and, before private members' hour comes to an end, allow the government's actions to speak louder than their words and really that is what we are asking this government to do.

If they are serious, if the minister responsible says that this is in fact what we have done, we are giving the minister an opportunity to vote on this resolution to prove that in fact what he says he has done is what he has done and, on that note, even though I would like to speak on it in a bit more detail, I will

hope that we will find this resolution passed before private members' hour comes to an end. Thank you, Mr. Speaker.

Mr. Bob Rose (Turtle Mountain): I certainly appreciate the opportunity that that the honourable member has given me on this resolution. I -(inaudible)-

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Mr. Rose: . . . just what exactly this government is doing for Manitobans. So I have had many opportunities to examine the courses that are being taken and the opportunities that are given to Manitobans by the policies and processes of this government.

I do not often get the opportunity to stand up and speak to these resolutions, and it is a pleasure for me to have this opportunity today to go into in detail the need for indoor air quality, the need to examine the quality of indoor air. It also gives me an opportunity to examine what this government is doing.

I will have to admit, Mr. Speaker, that up until today, and I certainly appreciate the fact that the honourable member for St. James (Mr. Edwards) has brought this resolution to the floor so that we may have some really good debate on the matter, but up until today, I had not realized just how far the honourable Minister of Labour (Mr. Praznik) had gone on improving indoor air quality in Manitoba.

An Honourable Member: He has done a good job.

Mr. Rose: It is a good job. People complain about indoor air quality for a very good reason because in the indoor air, we have temperature extremes that we do not always get outside. We have a lack of air movement. We get eye irritation. We get dry and stale air, allergies, rashes, sore throats, bad lighting, overcrowding, molds and bacteria. We could go on and on.

It does seem to me, Mr. Speaker, when we are examining the very progressive policies of this government, one policy that really fits in with this concern about indoor air quality in Manitoba is our Decentralization Program. All of us that live outside the Perimeter Highway know that the quality of air in rural Manitoba is excellent, much better, of course, than it is in an urban area where we have exhaust fumes and all the various fumes—I guess

we could call them that—that we get when we have a mass of people living together.

The thrust of this government to move job opportunities and promote the rural areas fits right in with our concerns about air quality in Manitoba. If we can get more people moved out into the rural areas where the quality of air and the quality of water are so much better, then the concerns we have for air quality will solve themselves.

We do not have the same temperature extremes in rural Manitoba or lack of air movement as we may get in the city. Anyone that has stood out on the prairie in one of our March or April or May winds will know that the air movement in rural Manitoba is much greater than it is in the city. -(interjection)-

I understand, of course, that the topic for discussion today is indoor air quality. I would like to make reference to something the honourable member for Thompson (Mr. Ashton) referred to when he said that we have been so busy building airtight buildings with the notion of energy consumption, I suppose, that we have reduced the ability for that Manitoba wind that I was talking about a few moments ago to move freely through the building.

If we get that free movement through the building by opening windows and having a few cracks in the walls and having the joints of the building not fit quite so tightly—as they do in the house that I live in, in rural Manitoba—then we will get the kind of air movement we want, and we will not need to worry about putting in air conditioning and our concerns about air quality will be lessened.

It is also very reassuring to me to know that this government has already moved towards the improvement of indoor air quality in Manitoba. We do have a joint federal-provincial commission, working as an advisory council of environmental and occupational health developing a standard protocol for the investigation of IAQ, which, as I have just learned, stands for indoor air quality, investigating the problems.

This working group has been working for two and a half years on the issue and it is reaching its conclusion. So I think it is most appropriate today that we have had a resolution bringing this to our attention, knowing that the government is already working towards solving these problems and that we will very soon have a resolution to the problems.

I understand that a draft of this document is to be presented in mid-April and expected to be completed by the summer of 1991.

I would also like to comment, Mr. Speaker, while I have the floor, on something else that the member for Thompson (Mr. Ashton) said. He was concerned about the Members' Lounge and the smoking that goes on in that lounge. I would just like to make the point that, as I said a week or so ago in the throne speech, a substantial amount of taxes is collected by both the province and the federal government on cigarettes. It seems to me appropriate that we at least need one place where we could spend our tax dollars and that should be, I suppose, in this building in the Members' Lounge. If the member for Thompson wants to entertain some of his constituents, I presume none of them will want to smoke, so perhaps he could do it in his office or in their caucus room, leaving the Members' Lounge open for those people who enjoy the occasional cigarette.

* (1720)

The member also suggested that we should have air conditioning in this building and a thought sprung to mind that in my experience with air conditioning in, oh, it is probably 10, 15 years ago perhaps now that we first had air conditioning put into our car and also later on in our tractor when we got cabs put on tractors. The very first thing that happened, Mr. Speaker, was that the operators wondered why, was it because they had the air conditioning cranked up too high or what the reason was, I am not sure, but they developed colds.

We all know there is nothing more miserable than a good head cold in the middle of summer, but there we were with our air conditioning, very expensive air conditioning, I might add, in our farm equipment and all the farmers were going around with runny noses, coughing and sneezing. Compare that with the old days when we used to work on those windswept plains with all that fresh air, and we did not have those problems of summer colds.

I would suggest that perhaps air conditioning is not always the answer to every problem and that really air conditioning, from the point of air quality, is not an answer at all. What we are really looking for when we talk about air conditioning is simply

comfort, and I do not believe that the thrust behind this resolution is totally comfort. I think the honourable member for St. James (Mr. Edwards) was really concerned about health, so I believe that we need to talk about other things besides air conditioning when we talk about air quality. -(interjection)- Sorry.

Certainly the problem of indoor air quality is—well, if we sometimes talk about it in a lighthearted manner, it is something that we do have to take seriously. The opportunity for the managers of buildings to have material available to them that gives them the opportunity to improve the air quality in their building is something that should be promoted, but I also think that it is a problem that is not solved overnight. It is not something that there are instant answers to. It is the kind of thing that we need to study, to experiment with and to examine in a very lengthy process, if you like, having consultation with not only the building managers, but the occupants as well and those people who work in the building.

So it is not unusual, I do not think, to expect this procedure to take some length of time, and while the member for Inkster (Mr. Lamoureux) would like us to move very quickly and perhaps adopt a resolution that really goes nowhere except to compliment the government for what they are already doing, but to try to move ahead in action before we are completely sure of the direction in which we are going. We need, as I say, consultation with the various people who are involved, and I believe that kind of consultation will be forthcoming when this government brings in its approach to improving air quality in our buildings.

I think we also should comment on the member for Thompson's (Mr. Ashton) admiration for sunlight. I believe he did make some comments about this building and I believe that if there is a drawback to this building, it is the absence of sunlight—

Mr. Speaker: Order, please. When this matter is again before the House the honourable member will have five minutes remaining.

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

Legislative Assembly of Manitoba

Tuesday, April 2, 1991

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