



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

DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

*Published under the
authority of
The Honourable D. James Walding
Speaker*



MG-8048

VOL. XXXI No. 144 - 10:00 a.m., WEDNESDAY, 10 AUGUST, 1983.

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
ADAM, Hon. A.R. (Pete)	Ste. Rose	NDP
ANSTETT, Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
BANMAN, Robert (Bob)	La Verendrye	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, Hon. John M.	Gimli	NDP
CARROLL, Q.C., Henry N.	Brandon West	IND
CORRIN, Brian	Ellice	NDP
COWAN, Hon. Jay	Churchill	NDP
DESJARDINS, Hon. Laurent	St. Boniface	NDP
DODICK, Doreen	Riel	NDP
DOERN, Russell	Elmwood	NDP
DOLIN, Hon. Mary Beth	Kildonan	NDP
DOWNEY, James E.	Arthur	PC
DRIEDGER, Albert	Emerson	PC
ENNS, Harry	Lakeside	PC
EVANS, Hon. Leonard S.	Brandon East	NDP
EYLER, Phil	River East	NDP
FILMON, Gary	Tuxedo	PC
FOX, Peter	Concordia	NDP
GOURLAY, D.M. (Doug)	Swan River	PC
GRAHAM, Harry	Virden	PC
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry M.	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HEMPHILL, Hon. Maureen	Logan	NDP
HYDE, Lloyd	Portage la Prairie	PC
JOHNSTON, J. Frank	Sturgeon Creek	PC
KOSTYRA, Hon. Eugene	Seven Oaks	NDP
KOVNATS, Abe	Niakwa	PC
LECUYER, Gérard	Radisson	NDP
LYON, Q.C., Hon. Sterling	Charleswood	PC
MACKLING, Q.C., Hon. Al	St. James	NDP
MALINOWSKI, Donald M.	St. Johns	NDP
MANNES, Clayton	Morris	PC
McKENZIE, J. Wally	Roblin-Russell	PC
MERCIER, Q.C., G.W.J. (Gerry)	St. Norbert	PC
NORDMAN, Rurik (Ric)	Assiniboia	PC
OLESON, Charlotte	Gladstone	PC
ORCHARD, Donald	Pembina	PC
PAWLEY, Q.C., Hon. Howard R.	Selkirk	NDP
PARASIUK, Hon. Wilson	Transcona	NDP
PENNER, Q.C., Hon. Roland	Fort Rouge	NDP
PHILLIPS, Myrna A.	Wolseley	NDP
PLOHMAN, Hon. John	Dauphin	NDP
RANSOM, A. Brian	Turtle Mountain	PC
SANTOS, Conrad	Burrows	NDP
SCHROEDER, Hon. Vic	Rossmere	NDP
SCOTT, Don	Inkster	NDP
SHERMAN, L.R. (Bud)	Fort Garry	PC
SMITH, Hon. Muriel	Osborne	NDP
STEEN, Warren	River Heights	PC
STORIE, Hon. Jerry T.	Flin Flon	NDP
URUSKI, Hon. Bill	Interlake	NDP
USKIW, Hon. Samuel	Lac du Bonnet	NDP
WALDING, Hon. D. James	St. Vital	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 10 August, 1983.

Time — 10:00 a.m.

MR. ASSISTANT CLERK, G. Mackintosh: It is my duty to inform the House that Mr. Speaker is unavoidably absent. I would ask the Deputy Speaker to take the Chair in accordance with the statutes.

OPENING PRAYER by Mr. Deputy Speaker.

MR. DEPUTY SPEAKER, P. EYLER: Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills . . .

ORAL QUESTIONS

Headingley Jail - study re conditions

MR. DEPUTY SPEAKER: The Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, my question is to the Honourable Acting Minister of Community Services and Corrections. I would ask her whether she would concur that in view of the MGEA report that has now been released detailing grievances and difficulties at Headingley Jail and the Winnipeg Remand Centre, it is more important than ever that this side have an answer today, if possible, to the question she took as notice yesterday, having to do with the status of the Task Force report on Headingley in particular - the Adult Correctional System in general - but Headingley in particular. I asked her yesterday when we might expect that report. She said she would check. Can she provide us with a target date when that report will be available, now?

MR. DEPUTY SPEAKER: The Minister of Economic Development.

HON. M. SMITH: Mr. Deputy Speaker, the report that we requested to review the entire remand and correctional adult system is due in September. We haven't had a confirmation of that date from Mr. Garson, but are undertaking to get that and I will report either a confirmation of that date or a best estimate as soon as I have that information.

MR. L. SHERMAN: Mr. Speaker, have the findings and conclusions contained in the MGEA Report, on Headingley and the Remand Centre, been made known to the task force looking into the correctional system and looking into the conditions at those two facilities, and have they been made known to the Minister and through him to the Acting Minister?

HON. M. SMITH: Mr. Deputy Speaker, I have just received a copy of that report today, but it was prepared for and submitted to the Review Committee. I am sure that they will be taking the comments in that report

very much to heart in the preparation of their recommendations.

I would just like to say that the whole purpose of the study and report was to address the problem of inadequacies in the adult correctional system. Many of the solutions are tied up with better facilities and in fact we do have planning in the functional planning stage, a new Remand Centre, which should contribute significantly to reducing the population at Headingley. But I think it's premature at this point to second guess what the committee will report, and as I already said, it should be due in September and if I get any more accurate update that differs from that, I will report it to the House.

MR. L. SHERMAN: Mr. Speaker, I would ask the Acting Minister whether the Minister is going to make himself available in the very near future in this Legislature, to answer some of the questions relative to serious episodes that have developed throughout, virtually, the entire spectrum of his ministerial responsibilities, for which the Acting Minister is having to answer.

Since the Acting Minister has other responsibilities and could not fairly be judged to be totally acquainted with all of the components of that department, would it not be wise to invite the Minister to return to the Legislature and answer some questions having to do with these serious episodes in Community Services and Corrections?

HON. M. SMITH: Mr. Deputy Speaker, he will be here shortly and will address these issues.

Constitutional Amendments

MR. DEPUTY SPEAKER: The Member for Turtle Mountain.

MR. B. RANSOM: Mr. Deputy Speaker, my question is to the Attorney-General. In the proposed constitutional amendment relating to aboriginal rights, there is a provision which calls upon the Prime Minister of Canada to participate in the discussions relating to constitutional amendments that affect them.

Can the Attorney-General give an indication to the House of what he would regard as being a representative cross-section of aboriginal peoples in Manitoba who should participate in such a conference? Or can he give an indication of how his government will go about selecting representatives to travel with them as part of the provincial delegation when such meetings are called once again?

MR. DEPUTY SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: With respect to the first part of the question, the process to this point, and I expect it will be the same, is that the First Ministers, for the purposes of these conferences, leading to proposals for

constitutional change affecting aboriginal rights, have dealt with four major national umbrella organizations; the Assembly of First Nations representing the status Indians; the Native Council of Canada representing the non-status Indians and some of the Metis, but not all; the Prairie Metis group representing those Metis not included in the NCC; and the Inuit Committee on National Issues representing all of the Inuit.

So those umbrella organizations themselves have on their national councils, assemblies and meetings, have representatives from the various regions so that the various native groups in Manitoba, who wish to participate, have representatives on, for example, either the NCC, or the Prairie Metis group, or the Assembly of First Nations.

With respect to the Manitoba process the discussions that took place, between members of the government and the Native organizations, had representatives from the Assembly of Manitoba Chiefs. The Assembly of Manitoba Chiefs is an umbrella organization representing some, but not all, of the bands and tribal councils there; some of the Native groups in Manitoba who are still boycotting the constitutional process in the belief that, for historic reasons, there should be direct dialogue between the Native people and the Federal Government without the intervention participation of provincial governments. These include some of the bands in the Interlake region and some of the Dakota Ojibway group.

MR. B. RANSOM: Mr. Speaker, a further question to the Attorney-General.

Which of the groups at the national level, or indeed at the provincial level would be expected to speak for the urban Indians, the many thousands of Indian people who live off reserves now, primarily in urban areas? Which of those groups would be expected to speak for them?

HON. R. PENNER: That's been a continuing problem. Up till now it has been the expectation that those Indians, who live in let's say the City of Winnipeg, come from one of the bands represented by the Four Nations would make their representations through the Four Nations, or through the MKO, if that's where they come from, but that has not been satisfactory. The urban Natives, or those of them in any event that are organized, feel that their special needs are not adequately recognized by the reserve-based organizations. So discussions have been taking place between the organized Natives in Winnipeg, in any event, the Four Nations and the MKO, to see whether or not they can be specially represented. That has not been, to my knowledge, worked out yet, but it's in process.

MR. B. RANSOM: Mr. Speaker, a further question to the Attorney-General.

I'm sure the Attorney-General would agree that if the urban Indians do not have a voice, or a chance, to elect their representatives that it would hardly seem to be an adequate system of representation. If that is the case will the Attorney-General, and the government, be giving serious consideration to, or perhaps even giving a commitment at this point, to include

representatives of the Urban Indian Association, for instance, from Winnipeg in any provincial delegation when such next constitutional conference might be held?

HON. R. PENNER: Yes, Mr. Speaker, certainly in the consultative process that will be taking place before the next meeting of First Ministers on this question, government representatives, members of the Native Affairs Committee of Cabinet will be meeting specifically with urban Natives through their organizations. That's one of the problems their organizations, the urban organizations, are just beginning to develop, but nevertheless there are the organizing groups for urban Native organizations and meetings of that kind can take place.

Certainly, as well, we will give consideration to make sure that the urban Natives are adequately represented in one way or another on the national organizations, or at the national meetings.

Jobs Fund - allocation of funds

MR. B. RANSOM: Mr. Speaker, I have a question for the Minister of Highways. On August 5th, there were two press releases put out by the government relating to the Jobs Fund, one was the announcement of \$8 million to \$8.5 million committed to roads and municipalities. The same day there was another one related to the Jobs Fund announcing a \$4 million allocation from the Jobs Fund for highways construction. Can the Minister of Highways advise whether this is a double announcement that has taken place? Is the \$4 million also part of the \$8.5 million?

MR. DEPUTY SPEAKER: The Minister of Transportation.

HON. S. USKIW: Mr. Speaker, I'm not terribly familiar with the one having to do with the larger figure; but as I recollect, Mr. Speaker, I believe the four comes out of the eight. Is it eight or eight-and-a-half, I'm not certain? Our portion of that allotment was \$4 million for the Department of Highways.

MR. B. RANSOM: A supplementary to the Minister of Municipal Affairs then, Mr. Speaker. Perhaps the Minister of Municipal Affairs can confirm to the House whether or not this is a double announcement of money? Is the \$4 million for Highways definitely part of the \$8 to \$8.5 million that was announced that same date?

MR. DEPUTY SPEAKER: The Minister of Municipal Affairs.

HON. A. ADAM: My understanding is that there is a \$7 million program for Municipal Affairs and \$2 million of that, or slightly over \$2 million will be for community clubs, community projects and recreational projects. That is a separate program that includes all the Province of Manitoba including the City of Winnipeg.

The other part of the program, the 4.5, will be for rural Manitoba only and will apply to municipal applications that have been coming in. I just can't give

him an exact answer on whether or not that includes the \$8 million that has been indicated, whether that includes the highway portion or not.

MR. B. RANSOM: Well, Mr. Speaker, this press release is put out by these two Ministers. Surely one of them can give us some assurance as to whether or not this is double accounting. This is a \$4 million figure that's involved here, Mr. Speaker, and there is certainly the suspicion that the government might be trying to spin out the money here and make it appear that the Jobs Fund is providing more funds than it really is. So, Mr. Speaker, it's unfortunate that we can't get some firm answers from the Ministers that put this release out.

A further question to the Minister of Highways then, Mr. Speaker. Given the fact that over \$9 million, actual dollars, were taken away from the Department of Highways in this year's Estimates and put into the Jobs Fund, can the Minister advise at this point how close he is to having had that funding restored by the Jobs Fund?

MR. DEPUTY SPEAKER: The Minister of Transportation.

HON. S. USKIW: Well, again, Mr. Speaker, I want to go back to the earlier question. I think I did indicate to the Member for Turtle Mountain that of the eight in that press release, I believe four attaches to the new highways projects that were announced the other day. So that leaves the other four within the Department of Municipal Affairs.

With respect to the last question, the member will recall, we had about an \$89.8 or \$89.9 million appropriation for highways construction in this year's Estimates, which has now been boosted by \$4 million from the Jobs Fund, so we're somewhere in the order of \$94 million in total, as against \$100 million a year ago.

MR. B. RANSOM: Mr. Speaker, to the Minister of Highways. Is he hopeful that the total amount of funding which had been robbed from the Department of Highways in order to make the Jobs Fund appear to be something that it isn't, is he hopeful that that total amount of funding is going to be restored to his department before the year is out?

HON. S. USKIW: Mr. Speaker, I don't imagine that there is going to be an additional allocation because we're nearing past the halfway point in the construction season, in fact, near the end of the construction season.

There has been indication, however, that should the takeup in the municipal portion not be realized, that there may be some further transfer from that part of that \$8 million into the Highways Department, but that decision of course, has not yet been made.

MACC - interest rates

MR. DEPUTY SPEAKER: The Member for Arthur.

MR. J. DOWNEY: Mr. Speaker, I have a question for the Minister of Agriculture. On August 5th, he put out a press release indicating that any individual who

wanted to reduce their interest rates through MACC had until August 22nd to make that payment, Mr. Speaker. Why was August 22nd set as a deadline and do the farmers have to have a payment made by that particular date or intentions to do so, Mr. Speaker?

MR. DEPUTY SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Speaker, I understand that would have been an administrative decision in terms of the dates. It would be a farmer notifying the corporation of his or her intentions. But I will take the specifics as to why that date was chosen and get back to the honourable member.

MR. J. DOWNEY: Mr. Speaker, I want to be clear on this. He has indicated that as long as the farmer, he or she, have indicated to MACC by August 22nd that then they will still be able to go to outside sources to arrange funds to make that payment and reduce their interest rate or to have that in process, that it doesn't have to be accomplished by the 22nd. Is that what he's saying?

HON. B. URUSKI: Mr. Speaker, if the honourable member checks the original announcement that I made in this House, there were several alternatives put forward that a farmer could choose. He could make the payment on that day and get the full benefit of the reduction on Day One; he could make the payment within the first year and pay that difference with a slightly reduced benefit, or he could make the payments over a three to five-year period. As long as those intentions were there, the benefits would be reduced accordingly depending on the time that he or she chose in order to make that reduction of the payments. The interest refinancing could and would be done by MACC. He or she would not have to go to a private institution to do that refinancing. MACC would handle the refinancing on the basis of the monies needed to have that buy down, to make that buy down.

MR. J. DOWNEY: Mr. Speaker, the Minister has indicated in his press release as well, that over the term of the loan there'd be some 26 on the 1,151 loans to reduce them to some 13 percent. There'd be an approximate saving of some \$26 million in the press release.

What would be the up-front cash payment or the lump sum of money that would have to be made by the farm community to MACC to accomplish that saving? How much up-front cash to pay that out would be needed?

HON. B. URUSKI: Mr. Speaker, I will have to get those figures. I don't recall them specifically but those figures were given as well when the announcement was made as to, if everyone took the opportunity to make the buy down - because as the member knows the interest rates fluctuated from the 13.5 to a high I believe of 17.5, so there is a range there, but if every one of those who were above the 13 percent range, there was a figure attached to it but I'll get that figure for the honourable member.

Beef Stabilization Program - National

MR. J. DOWNEY: Mr. Speaker, there have been some concerns brought to our attention that the advertising campaign is somewhat misleading and I wonder if the Minister as well would take a look at it and consider withdrawing the kind of campaign that has been put forward by the Manitoba Agricultural Credit Corporation.

Mr. Speaker, on another subject to the same Minister. I have a question dealing with the announcements that are coming out of Ontario by the Ontario Ministry of Agriculture, that the provinces of Ontario, Manitoba, Alberta and Saskatchewan are going to join with the Federal Government to form a national beef stabilization program. Is the Province of Manitoba joining a federal program? Does he have plans to do so, and if so, when will that come about?

HON. B. URUSKI: Mr. Speaker, the honourable member should recall that when he was Minister the same kind of discussions took place.

Mr. Speaker, we have sat down finally, as a result of the conference we had several weeks ago, the Federal-Provincial Conference. As an alternative, to no general consensus across the country, the four western provinces, as the member has noted Ontario, Manitoba, Saskatchewan and Alberta, have put forward a proposal to the Federal Government indicating that since we do represent the bulk of the beef industry, the majority of beef producers in this country, as well as more than half of the hog production in this country that we would like to see at least the beginnings of a national plan.

Since that meeting, staff, the Federal Government has agreed to finally sit down and try and work out the details. As to the timing when this will come about, it is a matter that is under discussion and under negotiations. The honourable member well knows that discussions dealing with stabilization have gone on for more than a decade already, but we're hopeful that some progress can be made within the next year or so.

MR. J. DOWNEY: Well, Mr. Speaker, the Minister seems to be somewhat vague. Is it correct that those different governments that I referred to will be meeting later this month or in September in the City of Winnipeg to discuss a development of a national stabilization program, Mr. Speaker?

HON. B. URUSKI: Mr. Deputy Speaker, the members, representatives of those governments, have been meeting since last fall on a continuous basis, regular basis, prior to the conference and since that conference to try and work out. Now with the co-operation of the Federal Government, we are continuing to have our staffs meet to try and work out the principles and the details of such a plan.

MR. J. DOWNEY: Mr. Speaker, I would ask the Minister if he would be prepared to table the type of proposal that he is putting forward as far as the Manitoba Beef Industry is concerned. For example, will the feedlots that are now going broke or those that are still left in business and could go broke that do not have coverage

under the provincial plan, will they be covered by a national and provincial program that is being proposed? Those are important questions, Mr. Speaker, that the feedlot industry in this province want to know the answers to and we do on this side. Will they qualify for the federal-provincial program that is being proposed?

HON. B. URUSKI: Mr. Speaker, one provincial Minister will not be able to answer such a question until there is a general agreement from all participating provinces and, of course, the Federal Government.

Mr. Speaker, the honourable member knows that the feedlot industry across this country from Ontario, Manitoba, Saskatchewan and Alberta, there have been difficulties in that industry right across this province, and feedlot operators not only have shut their doors in Manitoba but they have also closed their doors in Ontario. There have been feedlot operations that have closed their doors in Saskatchewan and Alberta as well.

However, to say what the details of the program might be at this time, one could certainly not give that kind of an indication because that is the process of discussion and working out of a program that is ongoing at the present time.

MR. J. DOWNEY: Well, Mr. Speaker, there are quite a few details. A further question to the Minister of Agriculture.

If this proposal is accepted by the four provinces and the Federal Government, will that mean that those individuals who now have a contract with the Provincial Government under their current stabilization program, if they were to join the federal program, will that mean that they will opt out of the provincial program, that there will no longer be a provincial program or will there be a duplication, Mr. Speaker?

One of the criteria, as I understood it by the media, coming from other provinces - we haven't heard anything from this Minister, Mr. Speaker - that if there is a national program that the provinces will not be able to have their own program or top load. So the question is, if the program is to go ahead at a national level, will it mean the end of the provincial program that's now in place?

HON. B. URUSKI: Mr. Speaker, two points, first of all, the reason that the provinces that are now in agreement to go into a national plan is on the very specifics that we have been opposed to top loading. The provincial plans that we have now in place of Manitoba and Saskatchewan - as the member knows, that Ontario and Alberta do not have provincial plans - those provinces are as well equally in support of no top loading into stabilization plans.

A plan that would be envisaged, and I think there is general agreement between the Federal Government and the provinces, would be that the provinces would operate the plans and it would be a tripartite plan whereby the Federal Government would contribute, the producers and the provinces would contribute into a stabilization program, not unlike what we have in the Province of Manitoba, but the provinces would actually operate the programs within their sphere with a joint

committee. That is what has been generally accepted for a long period of time, but certainly the details have yet to be worked out.

Manitoba Cattle Producers Association

MR. J. DOWNEY: Mr. Speaker, is the Minister of Agriculture working with the Manitoba Cattle Producers Association, which he is trying to destroy, is he working with them to develop the program which is going to be in the best interests of Manitoba cattle producers and consumers? Is he working with the Manitoba Cattle Producers Association?

HON. B. URUSKI: Mr. Speaker, I don't accept the honourable member's premise about destruction. Mr. Speaker, we are working with all the beef producers within the Province of Manitoba, to attempt to further improve the beef industry, not only in Manitoba, but in this country.

Jobs Fund - allocation of funds

MR. DEPUTY SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, a question for the Deputy Premier. A few days ago, the Minister of Finance undertook to provide information relating to the allocation of funds from the Jobs Fund, according to budgetary and non-budgetary, and to provide that information to the House as soon as possible. Can the Deputy Premier advise whether that information will be available this afternoon, or tomorrow, or just when?

MR. DEPUTY SPEAKER: The Minister of Economic Development.

HON. M. SMITH: Mr. Deputy Speaker, I don't have any precise information, but I will look into it.

MR. B. RANSOM: Mr. Speaker, the Minister of Finance also took as notice a question from my colleague from La Verendrye to the effect that, had any application under the Jobs Fund been rejected on the basis of, lack of funds? That question was taken as notice. Would the Deputy Premier undertake to provide the House with an answer?

HON. M. SMITH: Mr. Deputy Speaker, I will take that as notice as well.

Infill Housing Project

MR. DEPUTY SPEAKER: The Member for Tuxedo.

MR. G. FILMON: Thank you, Mr. Speaker. My question is to the Honourable Minister of Housing. Why did the province enter into a project of building infill housing in Winnipeg at cost levels that were beyond the means of available buyers?

MR. DEPUTY SPEAKER: The Minister of Housing.

HON. J. STORIE: Thank you, Mr. Speaker. That's a very unusual way of phrasing the question. Obviously,

Mr. Speaker, the member, as critic for the Department of Housing, should have been aware that this project actually started a good number of months ago with an infill design contest. I outlined at the time that the design contest was announced, the rationale for getting into infill housing and for the importance of creating and rejuvenating the downtown area.

A MEMBER: Sounds like an infill answer.

HON. J. STORIE: Obviously, Mr. Speaker, — (Interjection) — I will get to the question of cost. I will deal with the member's concern. I just want simply to provide some information for the edification of members opposite and also for the public about this program.

First of all, Mr. Speaker . . .

MR. DEPUTY SPEAKER: Order please.

HON. J. STORIE: . . . we have recognized, and I'm sure that the member as a former Minister responsible, that individuals looking to build in the inner city area, in the core area, have a particularly difficult time. They have a difficult time for two reasons:

No. 1, obtaining mortgages for the purchase of houses in the inner city area is difficult, if not impossible. It is particularly difficult if you want to build a new house, if you want to build on an infill lot, because it is simply impossible for an individual to receive full value of the cost of building the house because the resale value, of course, is substantially less than the cost of building. So we are faced with a dilemma.

No. 1, we certainly want to encourage the regeneration of the core area. This government, and I think with no apologies, has made it clear that the redevelopment of the downtown area, both commercially and as a residential centre, is important. It's not only important to the government; it's certainly important to the city. It is very important to those people who have remained in residences in the inner city area. What we needed was a mechanism to allow people to do that.

Mr. Speaker, what we have right now is a program whereby the government is providing an additional \$4,000 to \$5,000 by way of assistance for individuals to own their own homes in the inner city. The alternative to doing that, Mr. Speaker - and I'm surprised that the Member for Tuxedo does not know this - is a very expensive option.

For us to develop as non-profit units, as public housing units those 67 units of housing, would cost the province \$3 million to \$4 million capital; would cost the province the ongoing interest; would cost the province the operating expenses from now to eternity. Mr. Speaker, this is a very inexpensive way of providing affordable housing in a very difficult area to provide housing and, Mr. Speaker, it is providing home ownership as to providing rental housing for the people of the inner city area. Mr. Speaker, it's almost like free enterprise. Mr. Speaker, we believe in home ownership as one of the alternatives to providing shelter for individuals. Home ownership should be available to those individuals with lower income.

As an alternative, as a province and both governments have provided shelter by means of non-

profit and public housing programs and, Mr. Speaker, to provide those 67 units in the inner city is far more expensive by way of non-profit or public housing than it is by this mechanism. This, Mr. Speaker, far from costing the province \$300,000 is, in the long run, saving the province considerably more than that.

MR. DEPUTY SPEAKER: Order please, order please. The Member for Tuxedo.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. DEPUTY SPEAKER: The Member for Tuxedo. Order please, order please.

MR. G. FILMON: Mr. Speaker, I move, seconded by the Honourable Member for Virden, that debate be adjourned.

Mr. Speaker, I hesitate to ask another question in view of the fact that a 30-second question evoked a four minute and 23 second response, but — (Interjection) — my colleague suggests that we ought to keep the bells ringing. It's a better answer.

But, Mr. Speaker, if I may pursue this just a little bit, because the Minister has brought up a number of different points, I think, that need . . .

Firstly, I might remind him that this has nothing to do with obtaining mortgages since my information is that the mortgages are being provided by the province on these houses and, indeed, they are also providing monthly payment subsidies for those who are of low income.

So the question that I have to ask with respect to all of the information he has provided is, why did the government decide to build infill housing at rates that were substantially higher and beyond the economic value of the houses in the given area? In other words, people could have bought an existing house more cheaply than the house that the government is buying for them, therefore, the government would have saved money by, therefore, just allowing them to buy an existing house at cheaper rates?

HON. J. STORIE: Thank you, Mr. Speaker. I'll attempt to be more concise in my answer this time. I did feel, however, that it's important that the members understand the entire background to this issue, and really, it is not costing the province \$300,000; in the long term, it is a very significant saving and it is providing individuals with the opportunity to own their own homes rather than be renters, so that's the bottom line.

The suggestion that the province is providing mortgages is quite true and the reason the province is providing mortgages, particularly in the inner city area, is because, for an individual looking to build a new home, to redevelop the downtown, to build on infill lots it's almost impossible for him or her to obtain a mortgage by way of private lending institutions. So, the province, of necessity, provided mortgages for building of new homes in the inner city; that's No. 1.

No. 2, Mr. Speaker, indeed it is true that the province could have bought older homes in the area, however, that would not have solved the problem of vacant lots and the continuing growing number of vacant lots in the inner city; and the province, as the member should

be aware, is indeed encouraging individuals to buy older homes in the inner city area and renovate them with the Buy and Renovate Program. So, we are working at both problems. The overall impact will be to rejuvenate the inner city area by rehabilitating older homes and providing infill.

MR. G. FILMON: I can't understand why a vacant lot is a bigger problem than a vacant house in the core area, but that's another matter. Is this being done by MHRC forces or by private contractors?

HON. J. STORIE: Mr. Speaker, the 64 homes were tendered in groups and I believe there are three private contractors doing the actual construction.

MR. G. FILMON: Mr. Speaker, on what basis was the amount of write-down, that is the amount of money in the capital costs that's being written off, established? Was it based on the buyer's income, location of the house, or what set of criteria?

HON. J. STORIE: Mr. Speaker, there were a number of criteria, the main one was the mortgage value of the property.

MR. G. FILMON: In other words, the Minister is acknowledging that the mortgage value of the property, in many cases, was greater than the economic value of the property. That was my original point. Can the Minister file with us the set of criteria that was used, since I understand the analyst who is in charge of the program was unwilling to reveal the information to the media? Can he file the criteria with us and also a list of who are the purchasers of these homes?

HON. J. STORIE: Mr. Speaker, I will take that question as notice and see whether it is possible, or whether desirable I should say, to file the list of individual purchasers. It's something that I will take under consideration.

Homes in Manitoba Program - housing starts

MR. DEPUTY SPEAKER: The Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, my question is to the Minister of Housing. I wonder if the Minister could inform the House whether he has read the report that was made on the housing project that was put in The Pas, Manitoba, the houses that were built by the NDP Government, and the lots that were developed by NDP Government in The Pas, Manitoba. I wonder if he's read the report of the amount of money the province lost, in other words, does he realize they lost their shirt on that housing project as well?

MR. DEPUTY SPEAKER: The Minister of Housing.

HON. J. STORIE: Mr. Speaker, I should point out to the Member for Sturgeon Creek that what we're embarking on here, both in the infill and the Homes

in Manitoba Program, which is mentioned in the Free Press Report, which totalled some \$73 million, is fundamentally different than a subdivision plan which was undertaken by previous administrations.

What we're offering here is mortgages to individuals. This is loans that we're providing outside of some grant monies, which is to make individual home ownership affordable. As the Member for Sturgeon Creek knows, it is extremely expensive for the province even to use the mechanism provided by the National Housing Act, Section 56(1). It is extremely expensive for the province to construct public housing. We have to look at alternatives.

We are allocated only so many units by CMHC and we indeed I think, have, through the Homes in Manitoba Program, struck a very useful tool for providing low-income people with affordable homes at very minimal cost in the long run to the province where, as I indicated before, we're faced with ongoing interest costs to the province by way of the capital we use to construct even non-profit units, by way of the ongoing operating costs that are associated with public housing, or what we call public housing. This is a very effective mechanism and very low cost in all respects.

MR. DEPUTY SPEAKER: Order please. The time for Oral Questions has expired.

The Honourable Government House Leader.

ORDERS OF THE DAY

HON. R. PENNER: Mr. Speaker, would you please call adjourned debates on second reading in the following order: Bills 18 and 75, and following dealing with those, Mr. Speaker, I will be moving a motion to go into Committee of the Whole to consider Bills 16 and 109.

ADJOURNED DEBATE ON SECOND READING

BILL 18 - THE LEGISLATIVE ASSEMBLY AND EXECUTIVE COUNCIL CONFLICT OF INTEREST ACT

MR. DEPUTY SPEAKER: On the proposed motion of the Honourable Attorney-General, Bill No. 18, standing in the name of the Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Speaker. Last night, when I was speaking on Bill No. 3, I mentioned democracy by New Democrats, Mr. Speaker, and I outlined that democracy by New Democrats was to take away the rights of people and to rule them instead of govern them. Mr. Speaker, we've always had a lot of talk in this House of conflict of interest and when I was speaking on the conflict-of-interest bill in this House regarding the municipal people, I related a statement that was made by Mr. Saul Miller when he was a representative, or elected member, in this House.

When I had had the opportunity to appoint a board for the Manitoba Housing Renewal Corporation, I was questioned by the Member for Brandon East at the time as to the vocation of the people that were

appointed. I told him that I appointed those people on the basis of their ability. In the hall afterwards - and it's in the Free Press and it's written very clearly - when Mr. Miller, who was the previous Minister of Housing, was asked a question, his answer was, "People either have integrity or they don't."

Mr. Speaker, I thought that in this House that's the type of rules we lived by, but since this government has come into power with an Attorney-General who believes that it takes a thief to catch a thief, we now have this type of legislation before us. In other words, this government does not believe in the integrity of the members of this House. I, Sir, have basically no problems with conflict of interest legislation. This was brought up once before by the Schreyer Government in this House and it was pulled back, because it was decided that this legislation really wouldn't do anything to change whether people had integrity or whether they didn't have integrity.

Mr. Speaker, I just started to say, I have no objection to listing my assets with some place in this province that is not available to everyone who wants to have a look at them but is available, if required, for the purposes of me doing my job as a member of this Legislature. That is a logical request because of the technicalities of today, because of the different vocations that we are all in. I guess that is a logical request and one that I wouldn't have any problems with.

But, Mr. Speaker, we now get to democracy, NDP-style, and I heard the member say, I said that last night, but every bill comes up with democracy, NDP-style, which is ruling and taking rights from people.

Mr. Speaker, I personally cannot vote for this piece of legislation because I have a respect for my "spouse," as the bill calls it - but for my wife and children. I believe in their rights. My wife and I have raised our children with the belief that they live in a country and province where they have some rights, and I couldn't personally vote for something that takes that away from my wife, and certainly my wife doesn't agree that I should take it away from our children.

Mr. Speaker, this legislation says the dependant - it doesn't say anything about age - it just says a dependant is any child, natural or adopted, of a member or Minister.

Under the section of definition of spouse it says: "Including a person who is not married to the member or Minister, but whom the member or Minister represents as his spouse." That's rather hard to understand. I don't whether a Minister who is not married takes somebody out one weekend and they decide that's his spouse and the next month somebody else is his spouse. I don't know just what that means. I believe it means common law and we do have a definition of common-law spouse within the marital laws of the province, but I have failed to be able to understand that particular statement about spouse.

Of course, the Attorney-General is the type of lawyer who says, oh, that won't happen and this won't happen and that's not what it means. He expects everybody that is on low income or high income to be able to go to court, have a lawyer, and do all of these things and he'll work with the technicalities. He doesn't realize that we are here and the Attorney-General is here to make things as easy for people to understand as possible, to live in a province where they have rights. I say my

wife has rights and certainly my wife and I have taught our children that they have rights in this province. That's why I can't support it, Mr. Speaker.

Supposing my daughter were to come home and live at our home for reasons of divorce, that there was a split up of the assets of that family. Do you mean she can't come home to our house without disclosing all her assets because her father happens to be an MLA? This is another one that the Attorney-General will say, well, that won't happen; that can't happen. If the daughter happens to have a lower rent or if I decide to have one of my children who is out working not pay me any board because that's what we decide to do, what definition is that? But the definition has nothing to do and it doesn't say what a dependant is from the point of view of how much money the child is receiving from the parents. It just says a dependant is any child, natural or adopted. Well, I don't believe that our children stop becoming our children when they're 18 or when they're 30 or when they're 50. So, Mr. Speaker, I have my doubts as to the rights that are being taken away from spouses and children of MLAs.

I wonder if the Attorney-General has presented this to the Advisory Board on the Status of Women. I know he didn't present Bill No. 3, The Farm Lands Ownership Act, to them because I have had one person who was on that board read that over and read this over and say, you know, the Advisory Board of the status of women of this province, I couldn't see agreeing with this bill. As a matter of fact, Mr. Speaker, the Advisory Board of the Status of Women under this government would probably disagree with this even more than the women that were appointed under our government.

I don't know that to be true, but I can tell you that the people that have represented themselves over the years that have said they're supporters of the NDP, that are involved in the Advisory Board of the Status of Women would be more annoyed at this than most. In fact, I'm surprised that they're not screaming from the roof tops. But it's a possibility because they are members of the NDP that they've been convinced that whatever the party does is right, whether you agree with it or whether you don't. Well, Mr. Speaker, the Status of Women should be very interested in this particular type of legislation.

Mr. Speaker, I'd be very interested to know what would happen if my wife said, no, it is not my intention to list my assets with you. I wonder what would happen if she went to court and said, I didn't run for the Legislature. I have my rights the same as anybody else has, as any other women has and I'm not a member of the Legislature. There's nowhere that anybody put their X beside my name. There's nowhere where they swore me in as a Member of the Legislature. Why do I have to give that information to you to make it public to everybody else?

HON. R. PENNER: Frank, you're wasting your time, I gave Mercier notice of an amendment on that.

MR. F. JOHNSTON: Well, Mr. Speaker, he says he's given notice of an amendment on it. I have not seen it.

HON. R. PENNER: Well, you guys don't talk to each other.

MR. F. JOHNSTON: Mr. Speaker, I heard that statement that we don't talk to one another. I suggest that it's better that maybe the odd time we don't talk to one another, but we certainly don't fight with one another as the NDP Caucus does most of the time.

HON. R. PENNER: That can happen every time if you don't talk to each other.

MR. F. JOHNSTON: But, Mr. Speaker, if there's an amendment to this effect, I'll be very interested in seeing it, but I must say to the Attorney-General that I have not seen the amendment.

So, Mr. Speaker, under those circumstances, if the Attorney-General has decided that the women spouses have rights and the male spouses have rights, I certainly am very pleased to see that, and I hope certainly that he has decided that children have rights, too.

I happen to know of many families that have had the situation where a child was born into a family and the grandparents might have set up a little fund for him that has over the years gained interest, etc., and becomes the property of that person, that child, when he's 18 years old. That child may decide, when he becomes of age to do as he pleases with that money and he may invest some of that money. I hope the Attorney-General has the same amendment for children because they have every right, when they're over 18, to make what investments they please and should not be penalized because their father or mother decides to run as an MLA.

Mr. Speaker, under the circumstances, as I say, I can't vote for a bill that in any way is anything but conflict of interest. I remember when this was brought up before. Mr. Green, the Member for Inkster, said he had no problem with conflict of interest. He just said, "I wish I even had more interest than I've got."

But disclosure of a person's private life because they have decided to go into public life, and the same applies to our municipal people, is an absolute insult to the people that sit in this Legislature because you have said, we don't trust your integrity. Well, Mr. Speaker, if that's the attitude of the members opposite, they are really in a very sad state.

Mr. Speaker, as my leader has said, I don't know of any times during my time that this has happened. I heard the Member for St. Boniface the other day get up and say after that he was investigated with the welfare because he had, through his business, the sorry fact of having to bury some people on welfare and that was investigated.

Members do not have the opportunity to get away with anything. The other members can bring it up; the press can bring it up; the Civil Service can bring it up; even by rumour or innuendo or by somebody phoning and saying that he has a conflict of interest. We live in a soup bowl or in a glass bowl at the present time, where everybody can look down from up there and see us, and they know everything about us in this day and age.

Mr. Speaker, my colleague from Roblin had a grocery store and somebody came in with a welfare chit, paid for their groceries with that welfare chit, and the computer threw it out that Mr. McKenzie had received money from the province and he had to pay it back.

My colleague had to pay it back because he ran a legitimate grocery store; he wasn't even in the store at the time. His wife was probably running it, or his clerk or somebody. He was here at the time.

That situation was changed, I believe, but it only goes to prove that the structure that is set up at the present time is there, if any members try to take advantage of their position, of having it brought up before the Legislature, or having it brought up before the people. As I said, I have no problem with my own personal interests providing they're in a place that every Tom, Dick and Harry can't come in and look at, and only there if the auditor or whoever decides that it's essential that it be looked up.

Mr. Speaker, why should any member in this House have his assets available to everybody that walks in? Why should his wife; and why should his children? Supposing there's somebody who wants to be competitive with you in some way, and wants to know what shares you have in something. Why should that privilege be taken away? Why should that situation be such that a member that is elected has to be in that vulnerable position?

Mr. Speaker, I make it very clear that I will be looking for the amendments. I tell the Attorney-General I'm interested in seeing them. I'm interested in being at committee, but I do not intend to vote for this in its present form. If the amendments do satisfy myself, and probably many of my colleagues, I can tell you this, that if it satisfies me in third readings there'll be no problems whatsoever, but the way this bill is written at the present time, as far as I'm concerned, it's an insult to the integrity of elected members, it's an insult to their spouses, and it's an insult to their children.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: The Honourable Attorney-General will be closing debate.

HON. R. PENNER: Mr. Speaker, first of all, let me speak to the major points raised by the Leader of the Opposition yesterday, touched on, to some considerable extent, by the Member for Sturgeon Creek this morning and by other members opposite.

I have, in fact, some time ago, advised the Member for St. Norbert who has expressed some concerns about this bill that I, too, on reflection, felt that the clause with respect to dependants was not the best method of dealing with a problem, which must be recognized as a problem. That is, that where it is apprehended that the possession of certain interests might produce a conflict of interest at a particular point and that should be disclosed, that it is possible that, indeed, we know that this happens, that in certain contexts, not necessarily this one, that assets which are really owned in a beneficial sense - I use that word in its legal context - are legally in the name of someone else, that assets are shelter. And it was that that concerned myself and the drafters of this bill when we looked at the question of dependants - and remember those were defined as people, either spouses or other members of the family living in the same house - but on reflection it occurred to me that there is a better way of dealing with that problem and that the concerns that were raised about the independence, not only of persons qua spouses,

they first of all have to be thought of independent persons, and not as spouses, some mere appendage. So, too, one would recognize that in principle, with children, that there must be a better way of addressing that, and I am proposing to bring in, at committee stage, an amendment which will, in effect, remove the requirement of the disclosure of spousal or dependant's assets.

What the amendment will likely do - I can sketch it out in broad outline - is require only disclosure of the transfer of an asset from a member to a spouse within a brief period prior to an election. It's the arm's length notion that one finds in The Income Tax Act that will be suggested, rather than the requirement of disclosing spousal assets.

So, the requirement of disclosing spousal assets will be removed, but where someone running for office has, within a period of time, a year, 18 months, two years at the maximum, transferred a substantial asset to a spouse or dependant, that being a person living in the same house, that transfer would have to be disclosed, but that would be disclosed by the member. So there would be no requirement on a spouse or dependant to reveal to anyone, even to their own spouse, what their assets are, because that, too, would have been a problem in the legislation as first drafted. There is the right of privacy, even as between spouses, although under certain conditions, as we know with respect to provisions in the family legislation, that too may give way.

Another concern that was raised was what has been referred to as the "snooper clause" and I take no umbrage at that designation. The concern was, all right, with respect to members filing with the Clerk of this House, or the clerk of a council, their assets, even though it's clear - and I want to emphasize this - that the disclosure in no way permits a calculation of net worth because there is no requirement that anything, other than the fact of an asset, need be disclosed. One has shares in International Nickel, one only need disclose shares in International Nickel, it could be one or 100. Nevertheless, their concern was that any individual can walk in off the street and go to the Clerk of Council and find out, at least in general sense, what the assets were.

I propose to bring in an amendment, to deal with that, that will not permit that kind of fishing into the disclosed assets of an elected member. What's being looked at, and there'll be further details supplied at committee stage, is the kind of situation in which a person - there was a suggestion that you'd have to go to court, but that really is a cumbersome, expensive and virtually a non-workable method - someone would have to go to court and say, well, I think there has been a conflict of interest, as between an action of an elected representative voting on a contract in council, or here, and that person has some interest in the business or firm which benefits from that contract. The court would then say, well, what evidence do you have that there is such a conflict of interest? You're coming here to ask that you can see the list of assets in order to prove something which, in effect, you must prove before I can give you an order that you're entitled to see the assets. It's a non-workable proposition.

What is better, I think, and it's along these lines that I'm working in order to bring in an amendment at

committee stage, is this type of thing, that if, in fact, someone, and in this setting, the Legislative Assembly, the potential for conflict of interest is almost always with the government because it's the government that makes the decisions really, either in Executive Council or in Treasury Board with respect to the expenditure, the letting of contracts. So, as I say, I think that Penner is a member of Treasury Board, has voted to grant a contract to a firm that he has an interest in, can go to the Clerk and make that allegation. The Clerk can say this. There is no such interest or there is an interest, that's all. That would be the limit. It's along those lines that I'm thinking would probably be a workable proposition. I'm giving notice of that to members opposite so they can think about it, and I'm happy to take up the suggestion that was made in debate, I think, by the Leader of the Opposition yesterday that prior to us getting to committee on this, I'd be happy to meet with the Member for Tuxedo or Member for Sturgeon Creek and get their ideas on those two proposals.

So those are legitimate concerns and I've always been ready to recognize concerns that are raised and to deal with them if at all possible, as long as we don't do violence to the principle of a piece of legislation.

I think, Mr. Speaker, really, that's all I want to say. There have been fairly wild statements made about the Attorney-General, but that's getting to be so standard in this House that I almost look forward to them on a day-to-day basis.

I just want to say one concluding word with respect to rights. We have to recognize that there are no absolute rights. Even the freedom speech is tempered by the laws of libel and the laws with respect to the advocacy of crime, things of that kind. So, too, we now know, particularly as we defined rights within the Charter, that you talk about the rights of the media and the media wants to be able to get into juvenile hearings and family hearings. Yet there are the rights of privacy that are at a fairly high level when it comes to family matters and juvenile matters. How do you balance those rights? That's always the problem.

I, of course, recognize and recognize very strongly, the rights and the independent rights of spouses and children. We initially, in drafting this bill, agonized over how to deal with the potential for hiding assets, and I think we've now found a better way of doing it and I have no hesitation in bringing that forward.

So with those remarks, Mr. Speaker, I would commend this bill and urge members opposite who have said in the main, not all of them, yes, they think that the principle of disclosure as is one preferable to the principle of disqualification that they have worried - and I think that is quite often very constructive criticism that has been made in the speeches opposite - they have worried about the spouses and dependants and about the snooper clause. I'm suggesting that there are ways of dealing with them that still maintain the fundamentals of the bill and I would ask them to support the bill on that basis.

QUESTION put, MOTION carried.

BILL 75 - THE STATUTE LAW AMENDMENT (TAXATION) ACT (1983)

MR. DEPUTY SPEAKER: Bill No. 75, on the proposed motion of the Honourable Minister of Finance, standing in the name of the Member for Swan River, the Member for Turtle Mountain.

MR. B. RANSOM: Mr. Deputy Speaker, I know that I can assure you that the Member for Swan River was adjourning this on my behalf and did not intend to speak on the bill.

The Minister of Urban Affairs has kindly made available to me the detailed notes which the Minister has with respect to Bill 75, which enables us to understand more clearly the various clauses of the bill, so I have very few comments to make in that regard. It generally implements provisions in the Budget and makes some corrections that inevitably are made each year.

I'd just like to point out one thing to the members opposite that relates to this bill, Mr. Speaker, and that has to do with the levels of tax increases which this bill brings about. For instance, the level of the increase of the tax on gasoline is going up 17 percent, from 6.4 cents a litre to 7.5; aircraft gasoline tax is going up by 18.4 percent; gasohol tax is going up by 88 percent; diesel fuel on-highway clear tax is going up by 15 percent; off-highway is going up by 18; locomotive fuel by 16 percent; propane on-highway by 12.5; off-highway 17 percent. Then, Mr. Speaker, with respect to commercial heating, heating oil tax is going up by 41.6 percent, bunker oil by 50 percent and propane by 40 percent.

So, Mr. Speaker, what the government is doing with this level of tax increases on these items is contributing to an increase in the consumer price index and that's going to create a problem for the government as they now belatedly come to some realization that they need to employ restraint in their spending. This year, they're asking that spending be held to a zero to 5 percent level, but at the same time, they are asking other people, the taxpayers out there to increase their outlay for the items that we've just talked about, the fuels of various kinds, by anywhere from 12, 15 up to 40 percent.

So, Mr. Speaker, it is not hard to understand then why the government finds itself now in a situation where the consumer price index in Winnipeg, which is the best indication we have for Manitoba, is going up now at a rate that is almost the highest of any province in Canada, of the major cities that are tracked, that are followed in Canada. That is gone from a situation where, during the four years of our administration, the consumer price index in Manitoba rose at a slower rate than did the consumer price index in Canada overall. That overlapped into 1982, the first year of this government's administration, because they basically hadn't had the opportunity yet to impose some of their taxation.

We now are into a situation where the consumer price index in Manitoba is being pushed up at a rate higher than that elsewhere in Canada and the primary

cause for that is government taxation. As long as they are pushing up the consumer price index, then they are going to create problems for themselves and for employers in bargaining with their employees because no one wants to lose ground. So what this government is doing is creating a difficult situation for themselves and for employers, because the consumer price index is going up faster than elsewhere and people naturally expect to keep up with it.

It also is going to create a problem for them because Manitoba is now going to begin to lose its competitive advantage. People used to be able to look at Manitoba and at Winnipeg and say that's a good place to do business because it's relatively cheaper than it is elsewhere. The Minister of Finance tabled a report approximately a year ago, a report prepared showing what a great place it was to do business in Winnipeg, and indeed it was, Mr. Speaker, and that followed on four years of Conservative administration in Manitoba.

Since that time the relative position of Manitoba has slipped, and so the members opposite simply have to look very carefully at their taxation policies, because if Manitoba becomes uncompetitive then we slowly start that vicious cycle where as the costs go up and we become less competitive, there's going to be less employment here, there's going to be less tax paid and the government finds itself with growing taxation requirements.

Those are all the comments that I wish to make at this time, Mr. Speaker, and we're prepared to see this bill passed in committee.

QUESTION put, MOTION carried.

MR. DEPUTY SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, I move, seconded by the Minister of Health, that the Deputy Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider Bills 16 and 109.

MOTION presented and carried and the House resolved itself into a Committee of the Whole to consider Bills 16 and 109, with the Honourable Member for River East in the Chair.

COMMITTEE OF THE WHOLE HOUSE

BILL 109 - THE LEGISLATIVE ASSEMBLY ACT (2)

MR. CHAIRMAN, P. EYLER: Committee come to order. We are considering Bill 109, An Act to amend The Legislative Assembly Act (2).

The Honourable Attorney-General.

HON. R. PENNER: Mr. Speaker, I guess clause-by-clause is the best way of dealing with this. I think members are familiar with the reason for the bill and its effect but I'll be pleased to answer any questions, or at least try to answer any questions which might be asked.

MR. CHAIRMAN: Clause-by-clause. Clause 1—pass; Clause 2—pass; Title—pass; Preamble—pass; Bill be Reported—pass.

BILL 16 - THE OIL AND NATURAL GAS TAX ACT

MR. CHAIRMAN: Bill No. 16, An Act to amend The Oil and Natural Gas Tax Act.

Clause-by-clause. Clause 1—pass; Clause 2—pass; Title—pass; Preamble—pass; Bill be Reported—pass. Committee rise. Call in the Speaker.

The committee has adopted certain resolutions, directs me to report same, and asks leave to sit again.

IN SESSION

MR. DEPUTY SPEAKER, P. EYLER: The Honourable Member for The Pas.

MR. H. HARAPIAK: I move, seconded by the Honourable Member for Wolseley that the report of the committee be received.

MOTION presented and carried.

THIRD READING GOVERNMENT BILLS

Bills No. 16, 109, 92, were each read a third time and passed.

ADJOURNED DEBATES ON SECOND READING Cont'd

BILL 52 - AN ACT TO INCORPORATE THE SALVATION ARMY

CATHERINE BOOTH BIBLE COLLEGE

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, I wonder if we could just take a minute waiting for people to come into the House.

Mr. Speaker, with respect to Bill 52, on the proposed motion of the Member for Fort Garry, you took the adjournment on my behalf. — (Interjection) — I simply advise the House that the Minister of Education, who has some concerns with respect to this bill, has discussed the matter with the proposed incorporators. The concerns really address the question of a policy that must be established in terms of degree-granting institutions. We don't want to do anything that will lower the standard of degrees granted in Manitoba, and we wanted to make sure that this act was not too wide in its scope. It's now my understanding that the incorporators, proposed incorporators, would be quite content with an amendment, which will be asked to be brought forward at committee stage, that will make it quite clear that the degree-granting powers are really, I think, confined, if I'm not mistaken, to divinity degrees. Perhaps the Minister of Education might add a further word of explanation on that basis, that at committee stage some amendment will be brought in. We'll be proposing an amendment that is, I think, acceptable to the incorporators, and I hope will be acceptable to the Member for Fort Garry, who brought in the bill. We're ready to let this go to committee on that basis.

QUESTION put, MOTION carried.

MR. DEPUTY SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, would you please call the adjourned debate on Bill 48.

BILL 48 - THE ELECTIONS FINANCES ACT

MR. DEPUTY SPEAKER: On the proposed motion of the Honourable Attorney-General, Bill No. 48, and the amendment standing thereto, standing in the name of the Member for Minnedosa. The member has 37 minutes remaining.

MR. D. BLAKE: Thank you, Mr. Speaker, I started, when I last spoke on this bill for a moment or two, to express the strong opposition that members on this side of the House have towards this bill on The Elections Finances Act. We listened to members opposite in debate earlier talk about the act that we brought in, in 1980, to allow some tax rebate on donations to political parties, that they were trying to draw a parallel that this was really the same thing but, Mr. Speaker, it is a far different proposition that we have before us now because the previous method was strictly on a voluntary basis. We were not reaching into the taxpayers' pocket like a common pickpocket and taking our election expenses by that method.

The bill has many aspects that we find objectionable, Mr. Deputy Speaker, the registering of political parties leaves a lot to be desired and, of course, the main objection is that 50 percent of election expenses for those registered parties obtaining 10 percent of the vote will be paid from the provincial treasury. We will certainly oppose the bill as strongly as we can, Mr. Deputy Speaker, but the objections, I suppose, can't be raised in any stronger fashion than they were by our leader, the Leader of the Opposition, when he spoke sometime earlier and said a Progressive Conservative Government will repeal retroactively any NDP legislation which attempts to use taxpayers' dollars to pay political candidates or parties for half of their election expenses. This was made some time ago, Mr. Speaker, and I don't think our objections can be put in any stronger terms than that, because we regard the act as bordering on immoral, Mr. Speaker, for governments to snatch money from the taxpayer in this method to pay for political election costs.

There's another aspect to the bill that's very disturbing, Mr. Speaker, in the fact that it would indicate that in connection with advertising that advertising will not be allowed in certain phases of the election campaign once an election has been called with the exception of continuing programs. Now, this would be very simple, Mr. Speaker, for the government in power to embark on a pretty highly-paid and politically-slanted program of advertising prior to an election being called. We've seen some of the advertising that has gone on, don't eat Crow and the Jobs Fund, things of that nature. We would gather from the bill that this type of advertising can carry on through an election campaign. This we would find very objectionable, Mr. Speaker, because it gives unfair advantage to the Government of the Day in promoting their particular cause.

The Member for Springfield the other day talked about corporate donations, that this would eliminate

a lot of corporate donations. Well, Mr. Speaker, the corporate donations that receive a tax advantage, those are strictly on a voluntary basis, as I mentioned, and the tax benefit that they receive is really money that the government hasn't had in the first place. It's not like picking up 50 percent of the election expenses directly and reimbursing it to the candidates.

I know the Federal Government have a similar scheme, Mr. Deputy Speaker, where the payments are made to the candidates after the election results are known and I don't think that that is good legislation either. My colleague, the Member for Arthur, said that two wrongs don't make a right. I know from personal experience that the federal candidates embark on fairly active fund raising campaigns when the election is called and do reasonably well. After the election results are known, they receive a fairly large portion of these expenses from the Federal Treasury. It has gotten to the point where many of the federal constituencies are pretty well-heeled.

That is not the case with most provincial constituencies. There may be some exceptions. Maybe the Member for Lac du Bonnet, living in a wealthy and rich area, probably has no problem in collecting vast sums to cover his election expenses but, some of the other areas, we have to scratch pretty hard, Mr. Speaker. But that has always been the case, and that's part of the game. You organize your campaign accordingly and have some reasonably good fund raisers who go out and do a good job for the candidate. It requires one to watch their expenses to some degree also, because there is just not a great pot of gold there to campaign on.

I don't think, Mr. Speaker, that great sums of money really help win elections. They certainly don't hurt. There's no question about that, but I don't think they help that much in winning elections.

So there are a great number of reasons why we are opposing the bill, Mr. Speaker. There are a great many ways that the government can use its position, prior to an election, to gain the type of advantage they feel they should have. It's obvious that this government is off on a fund raising kick now, because we have a letter from Mr. Charles Bigelow, sent out in June, extolling the virtues of the government in power at this day. But, Mr. Speaker, in the letter where he's stating why they should contribute to the New Democratic Party, he talks of establishing Manitoba's Job Fund to create the jobs by investing in a stronger Manitoba for tomorrow, and we know what the Jobs Fund has been. It's a collection of money that they've taken out of Highways and out of Natural Resources and various other departments and hived off into a special fund that they call the Jobs Fund, and are masquerading under the disguise that this is creating a great activity and a great number of jobs in the Province of Manitoba.

He goes on to say that they've saved 800 farms and more than 400 small businesses, in addition to hundreds of homes by the Interest Rate Relief Program. As I mentioned yesterday in my remarks on Bill 3, Mr. Speaker, if weather conditions prevail such as we have experienced in the past week or two, there's going to be a great deal of money required to assist and help shore up our agricultural community, because we are experiencing difficult times, as all members are well aware, but this unseasonable weather is taking a

tremendous toll on the yields of our crops and on the grades. That is going to show up, no doubt, within the next month or two and, if it's as serious as it looks at the present time, Mr. Speaker, there's going to be a great deal of money required there, and this statement of saving 800 farms may look a little weak.

It goes on to say how they've worked with the livestock producers to establish a widely acceptable Beef Stabilization Plan. You have heard the speakers on this side, Mr. Deputy Speaker. We have very grave doubts that is a fact. They go on to state that they've doubled health-care construction, and we've, I think, laid ample evidence on the table that refutes that statement, Mr. Deputy Speaker.

"This province again has sensitive, good government, thanks to the NDP in power." If the people that received that letter are going to rear up and grab their cheque book and send a cheque to the New Democratic Party, I wish them lots of success, because I haven't sent in my donation yet, Mr. Deputy Speaker. I'll have to give that some fairly strong consideration. But that would be my choice, Mr. Speaker, to support that party or whatever other party might see fit to send me a letter and encourage me to support their aims and objectives, and that's the way it should be.

I would rather have it that way than to organize a campaign and go out and beat the bushes for votes and, hopefully, obtain a couple or 3,000 votes and then get a cheque in the mail after the election for \$7,000 or \$8,000, whatever the figure might be. I feel very strongly that that's the wrong way to do it. We have always financed our election campaigns on voluntary contributions. Members opposite criticize us for having the support of corporations and business, I suppose, to a larger degree than they have, but that is the right of those individuals to support whatever political party they may feel closer aligned to.

I have heard it mentioned time and time again in speeches on this bill about the labour connection that the NDP Party enjoy, not so much maybe from . . .

MR. A. DRIEDGER: They did enjoy. It's not there anymore.

MR. D. BLAKE: They did enjoy, that's right. My colleague, the Member for Emerson, points that out that they did enjoy that support, because it has slipped very badly. There's no question about it, and it will slip even further with the introduction of the resolution on bilingualism. There is no doubt, Mr. Speaker, that is going to have a very damaging effect on the party chances when they next go to the polls.

The labour funding that they do receive, while it is substantial by way of check-off on union dues where the members don't really have any say into which political party these funds are directed, it's pretty obvious, Mr. Speaker, that the funds are always directed to the New Democratic Party. I know that they have a clause in there that if you don't want your portion of your union dues to go to that particular political party, you can sign a little form and opt out and receive your funds back but that, Mr. Speaker, is a very dicey proposition to those employees because they are automatically branded as being anti-NDP. Right away they get a visit from the shop steward or their organizer

to say, "Why are you doing this?" They become very nervous, Mr. Speaker, and consequently never sign the form and just let their funds go, even though they have no control over it, other than opting out. That may be helpful in a way, Mr. Speaker, because those that feel strongly about that particular situation are encouraged to go out and maybe work a little harder for the party of their choice in other ways. That help financially from the union movement is only part of it, Mr. Speaker. They recruit hordes of active campaigners during an election and how they will put a value on this, because there's sections in the bill that donations of kind or work must be measured in some way, and I don't know how you would measure that, Mr. Deputy Speaker. I know other sections of the bill, donations over \$10 must be recorded and duly receipted, and we all know that when you have townhall meetings or nomination meetings, or whatever, that very often the hat is passed and there are a lot of dollar bills in them, I know, but there are others who throw in \$15, \$20 or whatever they feel they can afford that they may not want their name shown and this bill would eliminate that. You would have to have a secretary running around behind the chap passing the ice cream pail, or whatever they use in meetings, to collect the funds, issuing receipts if somebody happened to throw in a \$10 bill.

A MEMBER: Do they not use a 5-gallon bucket in your meetings?

MR. D. BLAKE: They use 5 and 10-gallon cans in some of the constituencies I know, but others they use very small containers. Someone mentioned earlier the Dutch auctions, Mr. Speaker. Well that's a little easier to handle because your name is front and centre when they put the blackboard up, and they get one or two of the party faithfuls to run up and throw \$1,000 down and get their name on the board, and then they go down to \$800 and \$700 and \$600. There's very strong suspicion in a lot of cases that those large donors, who happen to run up first and throw their bill on the plate, receive some rebate after the meeting's over, but that is just conjecture, because I know that's an old trick when you're passing the hat if there's a \$5 and a \$10 bill laying there people may be a little more inclined to match it rather than to throw in a little bit of silver or \$1.00. That is one method that I haven't seen used in my constituency or others that I'm aware of, Mr. Speaker, but if it's a method of raising funds, good luck to them, because again the donations are strictly voluntary and if they wish a receipt for it to obtain their justifiable tax rebate, that's all well and good. But, Mr. Speaker, when it comes to a type of a bill, such as we have before us, where it becomes a Robin Hood, I suppose, in a way - although I think our leader referred to it as a modern day Jesse James type of operation - we get very nervous, on this side of the House, Mr. Speaker. That is the reason that we're opposing this bill. We don't think it's necessary, it's unwarranted at this time and it's something that we're going to oppose as strongly as we possibly can.

As I mentioned earlier, Mr. Speaker, it's been stated on this side of the House that we'll retract this legislation when we form the next government in a couple of years and those that have taken advantage of it, should this

legislation pass, had better keep the money handy because when the legislation is rescinded, it will be retroactive and the money will have to be refunded.

So, Mr. Speaker, I can't emphasize any stronger our opposition to this bill, because many of our fund raising events are community-based socials and things of that nature where people pitch in on a voluntary basis and provide the coffee and the fixings for it and the cakes and sandwiches, whatever is necessary. That is now all going to have to be recorded in some way and receipts issued and it just becomes a pretty cumbersome operation. It's something that I'm sure people are going to object to, because it's something they haven't been used to doing. They've been used to going out and working for the political party of their choice or of their beliefs and this is going to just throw an added measure in front of them that they're liable to say, well, I'm not going to bother with it because it's getting to be too much of a bother and I'm going to have to have my name written down on receipts and it's just not going to be conducive to good volunteer work. Mr. Speaker, it's discouraging the volunteers. If they know you're going to get half of your election expenses back, they're going to say, oh well, he can pay for this, he can pay for that, because the government's going to give him his money back. That is something that is not going to be conducive to obtaining good volunteers unless you get the die-hard, dedicated workers that all parties have and we're thankful for them. The average fringe supporter is not going to be inclined to pitch in and work if they know that you're getting a chunk of money back. As members opposite well know, politicians are always suspect of making too much money and getting all the freebies and things of that nature. It's not going to be helpful from that point of view either, Mr. Speaker.

So, to reiterate the words of those who have spoken before, we're opposing the bill, Mr. Speaker, on all aspects of it with every measure that we can and I know there are other speakers who want to express their views on the bill, Mr. Deputy Speaker, so I thank you for the opportunity to expressing my views at this time.

MR. DEPUTY SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, I also would like to take but a few minutes to enter this debate and discuss this, because I think that there have been an awful lot of red herrings brought in in this debate. It looks as if the Conservative Party is again the one defending the public and making sure that the public is not - they've talked about Robin Hood, they've talked about everything, they've talked about stealing money when, we're talking about \$2 or \$3 per population.

Now, let's look at the real reason why these people across are opposed to this bill. This question of volunteers, there's never been any question that the volunteers will be paid. That, of course, is out of the question and there could still be a maximum that could be spent by anybody and nobody can win an election without a legion of volunteers working for them.

When my friends from across the way talk about the problem, that if you ask the people to pay, it's like

stealing from the public because they're going to pay for the operation. I can tell you that the public will save an awful lot of money, because you have a situation now where the people are buying votes. I can give you all kinds of situations, and this is what we want to try to stop. We want people to vote independently. People are buying - I'll give you . . .

MR. L. SHERMAN: Give us the example.

HON. L. DESJARDINS: People are buying - I'll give you it. For instance, when they set up the lottery in Quebec, it was the Liberal Party in Quebec that set up the lottery. Automatically, everybody that had a licence to sell lotteries was making a contribution of \$5,000 to \$10,000, automatically, every single one of them. It's quite a coincidence, and to no other parties. Now why? So they can have this benefit from being associated with that party.

Now you see what's going on in the United States, the lobbying that is done. You see people that have contracts to supply for war armaments, for instance, where they jack the price up and they get it back so fast. It is this kind of conflict of interest that we are trying to stop.

The people, it is at their advantage to keep a certain party in power when they know they're going to make it all back in quantity. — (Interjection) — Don't say, oh, because you know as well as well as I do that is existing, and that's all over the place in the supposed democratic countries. What kind of a free election have you had? So it is the battle of the bucks again. Let the people spend the same kind of money, paid by the taxes, and you'll save millions of dollars.

I can tell you that I received an offer for a blank cheque during the Autopac debate if I would change my vote — (Interjection) — no, I didn't take it. I can tell you also that people came in when it was announced that a by-election . . .

A MEMBER: Did you take your Cabinet post?

HON. L. DESJARDINS: No, I didn't take a Cabinet post at that time at all, and let me tell you something, I was offered a Cabinet post of my choice by your party. How's that? — (Interjection) — No, I didn't take it. I was also . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. DEPUTY SPEAKER: Order please.

HON. L. DESJARDINS: . . . if you want to talk about that, let's talk about that. Let's talk about the offer that I had from that party, but it was all right at the time. I refused to take any post while I was in the balance of power. It was only long after that, when they didn't need me at all, that I accepted a post. All right, so let's talk about that. Let's talk about what's going on.

Why are you afraid to compete on the same measure as anybody else, where the public can judge the parties, can judge the programs, not where all the control is in a group of elitists? That's exactly what is done, and this will save thousands and millions of dollars to the public. That would be true democracy, but you don't

want that. You don't want anybody to rock the boat. You want to be able to get the bucks from these people.

Then you're talking about reducing the tax. You don't like to see the tax with ability to pay. You don't like to see that, because then your people that are backing you and all that are not too interested in that. You're going to have the situation that you have in the United States; people making millions, don't pay a cent of income tax. It is the people in the middle row that will pay that. It's exactly that, and you know that this is exactly the way it is.

Look at who's backing the people in the States. It is all certain groups. If I had the list of people that made contributions to parties, it is not for the colour of your eyes they're giving you the money, or because they want good government. It's because they want you to leave them alone, or that you give them contracts, or not pass certain regulations that might make it difficult for them to make the bucks. That's exactly what it is.

Now what would be fairer than taking a few bucks from every citizen of Manitoba, and then you wouldn't have this conflict of interest? We are talking about conflict-of-interest legislation — (Interjection) — that's fine, and they wouldn't give it to you either if they didn't expect to get that and three times as much, to get it back. I'm not saying that everybody's on the take, and that would count for both sides. That would be the same for everybody. It would be something that the public would have a chance to look at the program.

A MEMBER: He's out of control, Mr. Speaker.

HON. L. DESJARDINS: I can tell you that I'm very, very calm, and my honourable friend knows it. He's trying to . . .

A MEMBER: Go back to your notes.

HON. L. DESJARDINS: I beg your pardon? I haven't got any notes. Was that after the Anderson speech of . . .

A MEMBER: Yes.

HON. L. DESJARDINS: Yeah. He got his, didn't he? Where is he now? Where is he now? Tell me.

Mr. Speaker, there are all kinds of examples like that, that people have a conflict of interest. There is so much of that in our supposed democracy. We are trying to introduce something that will make democracy not just a word, but give a chance to the public to see the true program; that you don't have to, directly or indirectly, buy votes by giving back to make sure that these people have a chance to make their money back. That's exactly the way it is.

So why don't we argue about that instead of coming in and pretending that you're the saviour of the people. You're preventing Jesse James from robbing the public. What a joke! It's the same thing as somebody stealing a loaf of bread and going to jail forever, and somebody embezzling or somebody protected by a white collar. What the hell do they get? And we want a little bit of this democracy in here. It's not going to kill anybody, and it's going to save millions of dollars.

Look at what has happened. I'm not going to start naming anybody and that, but look at some of the things that happened on another level of government, for instance, where money was made with developers and all that. Aren't you suspicious of any of that? — (Interjection) — well I didn't think you would be. All's fair in love and war. You don't mind that, providing that the elitists get what they deserve — (Interjection) — what?

A MEMBER: Basically, they're honest.

HON. L. DESJARDINS: Basically they're honest, but there is also an awful lot of temptation when you're talking about conflict of interest.

MR. DEPUTY SPEAKER: Order please, order please. It would appear that this debate is getting a little bit out of control with the conversations going across the House between honourable members and the person who has the floor. I would hope that Minister of Health could address his comments to the Chair and not to the members opposite, and I would hope that the members opposite could keep their comments to a minimum.

The Honourable Minister of Health.

HON. L. DESJARDINS: I certainly will follow your directions, Sir, but I thought that you were enlightened already that I didn't have to address the Chair; that you knew exactly why this legislation was brought in.

A MEMBER: That's a reflection on the Chair.

HON. L. DESJARDINS: He's enlightened. I hope it is a reflection on the Chair, because I think he is enlightened.

Saying that, Mr. Speaker, through you, I say to these people that are crying about Jesse James and robbery on the side to tell the truth, and to tell it the way it is, and to say that they don't want to change the situation where they're going to have people making large contributions to them, because they've got something to gain. They have to deliver, and that is when you're talking about - if so, is there anybody that would be against a tax when you have - nobody likes to raise taxes.

When you have to raise taxes, isn't it the normal thing that you would go ahead and have a tax that would consider ability to pay? We are accused here of doing the wrong thing and going after income tax, and that income tax is too high in this province. That is a tax with ability to pay. If you make it, you pay; and if you don't, you don't pay, and it is a fair tax.

It's not a good tax. No taxes are good taxes, but it is a fair tax, Sir. This is how the things would be done, but then, certain people, it is to their detriment. They would like all kinds of loopholes and not pay these kind of taxes. They would sooner that we put a tax that would attack the unemployed and the senior citizens, and so on.

This is exactly what we want to stop. We're not asking for anything special. That would be the same thing that would get the unions. You're always saying that the unions are always trying to get favours, and they are

- I don't think it's all one-sided - there's no doubt that they are. I would feel a lot better if I didn't know who sent to anybody if I didn't feel that, all right, these people that we had to be careful like all of us. I think it would make a much better campaign where you could present the facts the way they are without being afraid. You can look at what is good for the welfare of Manitoba, not to say that you have to be careful or make a statement because you're going to lose a few thousand bucks of donation of a corporation or a union.

So, Mr. Speaker, I have no hesitation in supporting this bill at all. There is no way with all this bluffing on the other side that I feel that I'm a Jesse James at all. I feel that it is the only way to prevent a conflict of interest and to make it fair and to present fairly and honestly the program of the serious parties that are trying to form a government, offering themselves to the public to form a government. — (Interjection) — Yes, serious parties. You see that's exactly it, Mr. Speaker, some of the people on the other side feel that there's only one good party, one serious party, that all the good people are on one side.

All right, there's nothing wrong with disagreeing, that's what we're here for, and that is why there's different parties in the democracy. That is why that sometimes if a party is going to be successful, it has to be broadly based also, but insinuating that there's motives all the time in anything that we bring in, you know it's to steal money and so on, that is the wrong thing. Democracy is not just to say, well, the elitists have control of everything now and don't rock the boat. If you want to anything else, or change any system, you're fighting against democracy, you're trying to destroy democracy. What a pile of B.S., Mr. Speaker!

A MEMBER: Everybody is gonna have zippers on their pockets.

HON. L. DESJARDINS: I beg your pardon.

A MEMBER: Everybody will have zippers on their pockets.

HON. L. DESJARDINS: At least if he's going to talk, he should face this way so I can hear what he's got to say. — (Interjection) — I'm sorry I can't answer him, Sir, for two reasons. You admonished me not to enter in a private debate, and secondly, I don't know what the hell he said.

Mr. Speaker, as I say, I have no hesitation in supporting this bill at all. I think it is a really a bill that will help democracy to flourish.

Thank you.

MR. DEPUTY SPEAKER: The Member for Arthur.

MR. J. DOWNEY: Mr. Speaker, it's interesting to hear the Honourable Minister of Health get up and put forward what I would say one of the weakest arguments for the support of any legislation that I have heard brought forward in this Assembly in this Session. It was nothing but an opportunity to stand up and hear himself talk in the Legislature. If it hadn't been, Mr. Deputy Speaker, for the members opposite, who were making the odd comments off the record, the Minister's

speech would have been a complete disaster. The only way in which he was able to speak was in response to the comments made by the members opposite. As soon, Mr. Speaker, as members opposite became very quiet, his speech had to end, because he had no more thought or ideas of his own to put on the record.

Mr. Speaker, what we are doing in opposing this bill and giving it the hoist is again to protect the democratic process and the best interests of the people of the Province of Manitoba. That, Mr. Speaker, is what it's all about. It's a matter of principle, Mr. Speaker, where we believe, as Progressive Conservative Party, that the taxpayers of Manitoba, due to taxation policies and law, should not be forced, Mr. Speaker, to pay for the operations of political parties in campaigns by those parties. We believe firmly that individuals should be able to fund through their own freedom of choice the political party that they want to support. Their philosophical belief should be supported by the dollars and cents that people are free to give, not through the taxation laws, which, Mr. Speaker, if enforced and people decide that they do not want to pay for the NDP or Progressive Conservative or Liberals or Communists in Manitoba, if they said, no, we are not going to fund through our taxes, and withhold those taxes, they will go to jail and pay the price in society. That is wrong and we don't want the people of the province subjected to that kind of heavy-handed government approach.

Some time ago, about four years ago in 1978, we introduced legislation that gave the cattle producers of this province an opportunity to fund their own organization through the legislative process. An organization which - there was a deduction taken from those individuals that marketed a commodity. They were free to opt out and get their funds back and not participate in that organization. The Member for Lac du Bonnet threw his arms in the air. What a terrible piece of legislation it was, and he didn't rest until some week-and-a-half ago, two weeks ago, when they took those funding mechanisms away from the cattle producers. He's now standing on the other side of the issue saying, we can't have the cattle producers subjected to their own organization, a voluntary organization with which they can get their funds back, but I'm going to stand with the government that are going to now extract the taxpayers' money to support my political beliefs, to support the Progressive Conservative political beliefs, to support the NDP political beliefs through forced taxation, Mr. Speaker. It's not us that is inconsistent, Mr. Speaker, it is the New Democratic Party that are. They are using the heavy hand of government to support the political party which they represent and giving us the taxpayers' money to do it as well. We don't believe that is the right approach, and that is why we're opposing it and are continuing to oppose that very basic principle.

The Member for St. Boniface speaks about conflict of interest. What greater conflict of interest could a government have than we have today that would pass this kind of legislation that would impose a funding mechanism on the taxpayers to benefit their own interests. That's the biggest conflict of interest that I've ever seen. They have a political party, the New Democratic Party, with a majority in this Assembly that can pass any legislation that they want to wipe out

their deficit, and they're now doing it to wipe out their past election deficit, and to make sure that they never incur one again, but the taxpayers are going to feel the heavy hand of government to make sure that they survive. Why is it . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. DEPUTY SPEAKER: Order please, order please.

MR. J. DOWNEY: . . . the people of Manitoba are going to be asked, through the taxation policies and law, of this province to support the political party that's now in office? Do you know why? It is because they are an endangered species, and you tell me in the next year-and-a-half, after all the bad legislation, all the bad economic policies, and all the terrible government the people of Manitoba have been getting, who is going to voluntarily donate to the political party that's now in office? Not very many, Mr. Speaker. So what do they do? They introduce legislation that through forced taxation keeps their party alive, a direct conflict of interest for a majority government.

Mr. Speaker, why didn't they put it to an all-party committee of this Assembly and make recommendations back to the House? That would have made it, Mr. Speaker, somewhat a little less blatant on their behalf, but the Member for St. Boniface stands up and says they're trying to remove conflict of interest with this legislation. They're only going to fund 50 percent of the election costs of the people who are running. Are we now just going to have half as much conflict of interest and half as much payola as he's talking about, because they still have to get the other half through the donations that they have traditionally got it from. What kind of silliness are we being subjected to by what would be considered through the years as a senior member of this Assembly. We now just have half as much problems in society the Minister is saying. It's like he's saying it's okay to be just a little bit in the family way.

MR. H. ENNS: That's a genteel way of putting it.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. DEPUTY SPEAKER: Order please. Order, the Minister of Health has already had his opportunity to speak in this debate. Other members such as the Minister of Housing, will have their opportunity in the future. In the meantime, I would hope that members would allow a considerate hearing to the Member for Arthur in his speech.

MR. J. DOWNEY: Thank you, Mr. Deputy Speaker. I want to dwell just a little bit longer on why they are bringing this legislation forward. What is happening in the rest of the world - what is happening in England, in the U.K. where we've seen a tremendous move to the right, the great support for Margaret Thatcher, and the labour movement sliding out of sight? What is happening to the political process in the United States where we've seen Ronald Reagan make a strong move forward and the left wing people falling away? What have seen recently in British Columbia where the

extreme right-wing party won over the left-wing party, and again the NDP falling out of sight?

Nationally, what is happening at the polls - and all my colleagues know that the Progressive Conservative Party, which is known as the only right-wing party left in Canada - up to 55 percent popularity; the Liberal Party is sliding, the New Democratic Party has slipped so badly that they have no place to go but right into the basement; and that is what is going to happen in the Province of Manitoba and they know it. They know precisely what their future is. When you look at the Farm Ownership Act, when you look at the bilingualism resolution that's being proposed and all the legislation that's going to continue to disseminate or to remove their popularity, they know they're going into oblivion and they want to throw a life jacket to themselves, mind you, so that taxpayers will, in fact, save them. That's what the objective is, because they can see over the longer term their own demise, and what they want to do is tie a lifeline to the taxpayers of the province so that when they lose the next election they still have one hand in the taxpayers' pockets, so they can operate their political party. That's where it's at, Mr. Speaker, and that's where it's going to be, and I'll tell you it will come to be proven in the coming months if they, in fact, pass this kind of legislation.

I would say, to put it in straightforward, common terms that the New Democratic Party in the Province of Manitoba are running scared, they are running scared of what the people are going to do to them in the next election. They are running scared to the point where they are afraid that no one in society will come and give a donation to their party, even though they are still going to have to get a donation and that's where the Minister of Health's argument was totally out of line, because there still has to be funding encouraged from the people of Manitoba on a voluntary basis.

What happens if they don't get that voluntary support? Under what they're proposing, there will be some taxpayers' money go into their coffers. It may be to pay off that huge deficit that they're faced with as a party, because I don't know how many people are prepared to step up with their cheque books or folds of cash and give to them at this particular time in their political operation of the government. I don't believe there are many people coming forward with cheques. Mr. Deputy Speaker, I believe that's the way it should be. I believe people should have the freedom to support the party of their choice and for what the Minister of Health said about conflict of interest, saying that they're going to remove lobbying, what is he trying to tell us? Do you mean to say that when this act passes that there'll be no more lobbying of government, that people will automatically walk away? As long as there's a democratic system working in this country, which this opposition is fighting to preserve, there will be lobbying and there should be lobbying. And because a person gives funds to a political party, they shouldn't have any special preference, and I haven't heard one member opposite point out where that special preference has been given. If it is so, in his government, he should stand in his place and tell us. He hasn't though, he hasn't told us, he did not tell us. I can give him some perfect examples of how the system works and nobody is terribly upset about it. I recently know of appointments made of people in my constituency who have been

declared under The Election Finances Act where they funded the New Democratic Party and, yes, they have received some board appointments. There's nothing wrong with that. I would say it would take him about three meetings to have his contribution back, but we know about it, the public out there know about it. They're not up in arms about it, because they believe the person might be able to do a competent job of what he's appointed to do. We can assure you, Mr. Speaker, that we wouldn't expect the government to appoint somebody who didn't be sympathetic with the government, they've done it every other way.

So it's going on and you cannot correct it with this kind of bill that's being introduced. You may correct it halfway if you take the Minister of Health's argument, you would correct it to half that point, but it's still there. The basic principles of being wrong in what they're doing are still intact in the total process.

I believe that when one looks at the process which we're now into as far as the people of the province are concerned in asking for their support, that it's not fair for them to be asked to work a certain percentage of their day - that's really what we've got to start comparing when we start talking about where we are in society and the taxation policies, and the continued request by governments to ask those taxpayers to pay the load of operating of government, that when one looks at their pay cheque, whatever they are doing - whether they're a babysitter, a worker in a clothing shop in the City of Winnipeg, or in a manufacturing plant at CCIL or Versatile - they have to start looking at their cheque and saying, "Here is what my gross wage is. Now, I have an option, I either want to stop some of the government spending that is coming off of that, or I need more money out of the product that I'm building for the company." We see daily people saying we need more money, and the way to get that money is either through a strike action - hopefully it can be accomplished through negotiation with management - but the other side of it is where we all have to start concentrating, and it is the uncontrollable spending of government. Here is another prime example of where the Minister of Health says, "It's only \$2 or \$3 per Manitoban." Two or \$3 per Manitoban on enough programs adds up to where I'm sure that the majority of people are paying probably one-third of their daily income towards the operation of governments federally or provincially.

Here is another prime example of government imposing costs on them in which they can continue that government, continue to support their own party, to continue to support themselves being in office. That is removing the people from this province of being allowed to use their money for supporting the people of their own philosophy, and forcing them to support a party that they don't believe in.

I don't believe, Mr. Speaker, that taxpayers of this province can continue to pay out of their daily incomes money to this kind of operation. It's bad enough to ask them to pay for the operations of government which they're mismanaging, but to ask them to pay for the operations of their political party which again they're going to continue to mismanage, is not in the best interests of the people of this province. That's why we're standing in our places, objecting to this kind of legislation.

I haven't heard the Member for Dauphin, who was a former teacher and will be again a teacher if he could get a job; but he doesn't have tenure, so he won't. I guess that's the reason they are passing this School Act is so that he, in fact, could protect his own job in the future. That could be another conflict that he could have. I would hope he would say so if it isn't. But why doesn't he stand and tell his fellow teachers that he is now going to take from them money to support his political party. At the same time, he could tell them that they're going to be paying for the Progressive Conservative Party or the other parties that qualify under this act. Does he really believe that?

The Minister of Housing sits here, and it's interesting to see the Minister of Housing espouse his philosophy in question period as if his housing program is working so well; that it's the only way to go. Mr. Speaker, if there weren't so many taxes like this Elections Finances Act going to be imposing costs on the taxpayers, maybe they could afford to build their own house. Are we ever going to get back to a time in society when people feel it is their own responsibility to put a roof and a house around them and to put clothing and food on their table?

HON. J. STORIE: Have the farmers stand on their own two feet.

MR. J. DOWNEY: Mr. Deputy Speaker, the Minister of Housing gets somewhat irate. I am quite happy to know that I'm getting through to him. He must be somewhat sensitive on this particular issue. He's hollering, have the farmers stand on their own two feet.

Mr. Speaker, what other group in society stand on their feet more than farmers? They buy on an unprotected market, and they sell on an unprotected market. They have labour unions, Mr. Speaker. They have all groups in society and governments in particular putting high fuel costs on the fuel that they're using; having high costs of taxation on every farmer that does business in this province. They pay their greater share, Mr. Speaker, or they pay their share in society. They don't sit on society and wait for them to come and give them a handout. I am surprised that a former member of the farm community in Manitoba would stand or sit in his place and espouse those comments; that it is the farmers who aren't able to look after themselves, and won't stand on their own two feet.

That's what we're trying to protect today. We are trying to protect the rights of people through their own donations to pay for the support of political parties; to get rid of people with the kind of comments that were just made by the Minister of Housing. That's what we're speaking on behalf of. Can you imagine the farmers being taxed to pay for the political party and the political belief of the Minister of Housing who would make such a comment in this Assembly? They are going to have to say, well I sure didn't like what the Minister of Housing of the New Democratic Party said, but I'm writing out my taxes, and here's a cheque for him to continue to espouse those kinds of irresponsible statements. My goodness, what is he doing? I can't believe it. I honestly can't believe that a former member of the farm community could make such a comment.

We believe firmly in the present system of people being allowed to donate to the party of their choice,

and I will be hard to convince. It will be difficult to convince me of anything different. Of course, it will be a lot more difficult to convince some of my colleagues. As you maybe have read our Leader's press statement yesterday, and I'm sure one of you people have the press statement available, where he has totally laid out our party's position on what will happen after the next election, and my colleague from Minnedosa spelled it out very well. You better not spend that money and better not get rid of it too irresponsibly with the hopes of never having to pay it back, because you will have to pay it back. So you better put it in a pretty deep pocket someplace, because you will be called upon to refund that money.

Now I think the taxpayers will be quite impressed with that kind of a position. I am, and I know that I represent people who are of both New Democratic beliefs and of Liberal beliefs and of Progressive Conservative beliefs. If I walked into the yard of a New Democratic Party and said, I stood up to protect your rights. I don't believe you should support Jim Downey, the Progressive Conservative's campaign, because you don't believe in what I'm espousing. Do you want to contribute through your taxes for me? I will bet you that in 99.9 percent of the cases that those New Democratic people will say, no, I do not want to fund your campaign. It's my objective to defeat you, and that's why I want to continue to put funds into the NDP coffers, and they have the freedom to do so. They have the freedom and will have the freedom to do so, so it works both ways.

What I am suggesting - because the Member for St. Boniface suggested that he's trying to remove conflict of interest. He is suggesting that the conflict of interest is by lobby and I don't consider, if a government is responsible and is a principled government, that they will subject themselves to the kind of open criticism of giving someone, in a beneficial way to that individual, giving them something in their favour because they have funded that political party.

HON. L. DESJARDINS: They do it all the time.

MR. J. DOWNEY: He says from his chair, they do it all the time. He is a former Liberal, and we definitely know what the Pierre Elliott Trudeau of this world have

done. We know how many people in Western Canada of the Progressive Conservative political belief that have been appointed to anything. There haven't been any. Now as far as paying special privilege which he alludes to, I can't identify any. I am saying, they're appointed to boards, and there's nothing wrong with that. It will be that way, and it has been that way.

MR. H. ENNS: We've got to confess, Jack Horner. Let's be honest.

MR. J. DOWNEY: But we don't know how much he contributed to the Liberal Party. He may not have contributed anything.

MR. H. ENNS: Maybe a couple of steaks or maybe a whole beef side.

MR. J. DOWNEY: You never know. But what I'm saying is, what the legislative process should be dealing with before this kind of legislation is brought in, was an all-committee group of people from this Legislature to sit down and come out, discuss it and we can come forward without having it as a conflict of interest directly on the New Democratic Party that are passing this legislation. That's what I would have believed would have been fair.

What if they had decided that they were going to pay all the expenses of the political parties in the Province of Manitoba. They have the power to do it. Is it any more wrong to pass all of it than half of it, if he's going to accomplish the principle that he said he was going to do? So I can't understand why there hasn't been a stronger argument put forward.

That's what we're in this Chamber for. We're in this Chamber to put arguments forward that should sway the thinking of the people in the Assembly one way or another, but they haven't done it. All they have done is say, "We have the numbers of people, we're going to pass it," and it's wrong legislation.

Thank you, Mr. Deputy Speaker.

MR. DEPUTY SPEAKER: Order please. The hour is 12:30. This House is accordingly adjourned and will stand adjourned until 2 p.m. (Wednesday).