



First Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

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**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

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39 Elizabeth II

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

**Members, Constituencies and Political Affiliation**

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, December 7, 1990

The House met at 10 a.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**Mr. Ben Svelnson (Chairman of the Committee on Public Utilities and Natural Resources):** Mr. Speaker, I beg to present the Fifth Report of the Committee on Public Utilities and Natural Resources.

**Mr. Clerk (William Remnant):** Your Standing Committee on Public Utilities and Natural Resources presents the following as their Fifth Report.

Your committee met on Thursday, November 15; Tuesday, November 20; Thursday, November 22 and December 6, 1990, at 10 a.m. in Room 255 of the Legislative Building to consider the Annual Reports of the Manitoba Hydro-Electric Board for the fiscal years ending March 31, 1989 and 1990, and the Annual Reports of the Manitoba Energy Authority for the fiscal years ending March 31, 1987, 1988, 1989 and 1990.

Mr. Brian Ransom, Chairperson of the Board; Mr. Bob Brennan, President and Chief Executive Officer and Mr. Ralph Lambert, Executive Vice-President provided such information as was requested by Members of the committee with respect to the Reports and business of the Manitoba Hydro-Electric Board for the committee meetings held on Thursday, November 15; Tuesday, November 20; Thursday, November 22 and December 6, 1990.

Mr. Brian Ransom, Chairperson of the Board; Mr. Gary Hastings, Executive Officer, Industrial Development and Mr. Henryk Mordarski, Comptroller provided such information as was requested by Members of the committee with respect to the reports and business of the Manitoba Energy Authority for the committee meeting held on Thursday, December 6, 1990.

Prior to the passing of the Annual Report of the

Manitoba Hydro-Electric Board for the fiscal year ending March 31, 1989, your committee adopted the following recommendation on November 22, 1990:

I move that this committee call upon the provincial Government to request that Manitoba Hydro consider the feasibility of setting such energy saving goals by the year 2001 greater than the current 100 megawatt target.

And that this committee call upon the provincial Government to request Manitoba Hydro to report in the 1991-1992 fiscal year to this committee on the feasibility of achieving a 6 percent savings and to provide technical advice as to the feasibility of achieving a 10 percent energy saving by the year 2001.

And that the text of this motion as amended be included in this committee report to the House.

Your committee examined the report of the Manitoba Hydro-Electric Board for the fiscal year ending March 31, 1989 and the Annual Reports of the Manitoba Energy Authority for the fiscal years ending March 31, 1987, 1988 and 1989, and adopted the same as presented.

**Mr. Svelnson:** Mr. Speaker, I move, seconded by the Member for Seine River (Mrs. Dacquay), that the report of the committee be received.

**Motion agreed to.**

### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of Honourable Members to the gallery where we have from the General Wolfe School eighty Grade 9 students. They are under the direction of Mr. Bandfield. This school is located in the constituency of the Honourable Member for Wellington (Ms. Barrett).

Et aussi, parmi nous aujourd'hui, je tiens à vous signaler la présence, dans la galerie, de quinze étudiants de la deuxième année du Collège Jeanne Sauvé sous la direction de Bernard Des Autels. Cette institution est située dans la circonscription du député de Seine River (Mrs. Dacquay).

**(Translation)**

Also we have with us today in the gallery fifteen Grade 12 students from the Collège Jeanne Sauvé under the direction of their teacher, Bernard Des Autels. This school is located in the constituency of the Honourable Member for Seine River (Mrs. Dacquay).

**(English)**

On behalf of all Honourable Members, I welcome you here this morning.

## ORAL QUESTION PERIOD

### Agricultural Assistance Deficiency Payment

**Mr. John Plohman (Dauphin):** Yesterday we witnessed the unbelievable spectacle of the Premier ducking a question from the Member for Swan River (Ms. Wowchuk) on the implications of GATT because he said it was hypothetical, Mr. Speaker. Now here is a Premier who really plans ahead. I would hate to see this Premier playing chess.

So as not to allow the Premier to duck this question and not give us a direct answer and to allow him to give this House and Manitoba farmers a direct answer, I will ask this Premier a direct question, Mr. Speaker.

Will he make a specific commitment to Manitoba farmers today that there will be a significant deficiency payment put in place for the 1991 crop year and announce it immediately?

\* (1005)

**Hon. Gary Filmon (Premier):** Mr. Speaker, if I were playing chess, I know who the pawn would be.

Mr. Speaker, the farmers of Manitoba know that this Government has stood up for them at every opportunity, has always provided for increased assistance in each and every year that we have been in Government. We have met their needs on drought relief. We have met their needs for enhancement of their opportunities to borrow by lowering their interest cost, and we met their needs through enhancement of the crop insurance program.

We have removed the education tax on farm land, Mr. Speaker. We have done all the things that the New Democrats never would do when they were in Government throughout the '80s. When it comes to supporting the farmers, our Minister of Agriculture (Mr. Findlay) and this Government have said time

and time again that there must be—and I refer him to my news release in August in Swan River, the same news release that I referred to the Member for Swan River (Ms. Wowchuk) yesterday in Question Period.

We said at that time, many months ago, that there was a need for an interim payment for assistance to farmers. There was a need for a federal commitment. We will keep working on that until we get it, Mr. Speaker.

### GATT Negotiations Ministers' Participation

**Mr. John Plohman (Dauphin):** Mr. Speaker, he will not make that commitment now, and this past week we have witnessed the spectacle of two Ministers of this Government gallivanting around Europe. They cannot even get into the GATT talks; they will not even let them in. The farmers do not even have enough money for Christmas this year.

Given that this Premier will not make a commitment today for a major deficiency payment, how can this Premier justify his Ministers travelling around Europe, in Rome and taking tours in Brussels when they should be home here in Manitoba dealing with the serious problems facing agriculture at this time?

**Hon. Gary Filmon (Premier):** I cannot believe the ignorance of the Member for Dauphin asking that question. The major point of decision making that will affect the livelihood of all farmers in this province over the decade of the '90s and beyond is the result of the GATT talks.

Every single farm group in this country has said that a resolution to the issue of export subsidies was the biggest single effort that had to be made on behalf of farmers in western Canada. The only one who does not understand that is the Member for Dauphin, and he is the Agriculture Critic. That is a joke, Mr. Speaker. His Leader ought to be ashamed.

**Mr. Plohman:** Mr. Speaker, they are there monitoring the GATT talks the same as this Minister of Consumer Affairs (Mr. Connery) is monitoring the price of gasoline and doing absolutely nothing about it and having no impact. Meanwhile, this Minister does not have a plan in place.

### Agricultural Assistance Deficiency Payment

**Mr. John Plohman (Dauphin):** I ask this Minister:

Will he now recall his Ministers immediately and tell them to get down to work and get a plan in place for an immediate deficiency payment now for the farmers to end this uncertainty for them and their families before Christmas?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I wish that the Members opposite, particularly the New Democratic Party, would have a little bit of conscience and would have a little bit of discretion, instead of adopting the position of the quick one-liner and the cheap shots of their Leader.

In coming forth and raising into the matter the fact that the Member for Charleswood (Mr. Ernst) is attending the canonization of the first Canadian saint in Rome at the request of the Grey Nuns, at the Vatican, and to have raised that in his issue is a two-bit cheap shot, Mr. Speaker.

I wish that the Leader of the Opposition would try and get himself in order so that he could show some respect for people such as the Grey Nuns and others who have served this province very, very well.

### **Finance Ministers' Meeting Health Care System**

**Mr. Gary Doer (Leader of the Opposition):** One will not waste any time on the cheap shots of the Premier, Mr. Speaker.

I would ask a question of the Minister of Finance. We have a vague communique rising out of a vague meeting that the Ministers of Finance had allegedly over the last day and a half, Mr. Speaker, dealing with the very serious problems facing Canada and Manitobans.

I have a question to the Minister of Finance. Was the issue of medicare and its funding discussed at the Ministers' meeting? Was the B.C. proposal, the western Finance Ministers' proposal, discussed at that Finance Ministers' meeting, and what option did the Minister of Finance from Manitoba support at the meeting of the Finance Ministers?

\* (1010)

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, the alleged meeting took place. It is a serious matter. Specifically, medicare as a specific agenda item was not discussed. Specifically, the matter that has been represented as coming out of British Columbia as a specific item in itself was not discussed.

Mr. Speaker, the health and indeed the care of the future of medicare in this nation was discussed in the context of the national debt. I say that the care of health care today is worse off than it was before the Ministers of Finance meeting, not because of the meeting, but because the nation as a whole today is \$2 billion further in debt because of loans taken out by the Province of Ontario to the tune of \$1.5 billion, the Province of Manitoba, a quarter of a billion, the Province of Saskatchewan, a third of a billion in the course of the last two days.

The threat of medicare today and its demise is much greater as a result not of the Ministers of Finance meeting, but indeed because of an additional \$2 billion worth of borrowing over the last two days.

**Mr. Doer:** Mr. Speaker, perhaps the Ministers of Finance could have suggested to the federal Minister of Finance that they reduce interest rates by three points and save \$6 billion for all the programs in this country. Maybe we can come out with tangible solutions rather than vague communiques. My question is then to the Premier - (interjection) -

**Mr. Speaker:** Order, please. Order.

### **Economic Recession All-Party Committee**

**Mr. Gary Doer (Leader of the Opposition):** We have the vague communique from the Ministers of Finance, Mr. Speaker, and we have some good news and bad news in our unemployment statistics today.

The good news is we are about third lowest in Canada, although we have gone from the lowest after the question from the Member for St. Vital (Mrs. Render) to the third lowest. We have 7,000 more people unemployed this month than last month, Mr. Speaker.

If we look at those statistics, we are going down in our manufacturing jobs every month. We are going down in our construction jobs from even a year ago in the same month, and we are going up in our service jobs.

My question to the Premier is: We are clearly going into a major recession in Manitoba. Will the Premier call together an all-Party delegation in this Chamber to develop counter-recessionary tactics that deal with the recession so that we can deal with interest rates, so that we can deal with the dollar

together, so that we can deal with the tragedy facing Manitobans in this recession in Manitoba?

**Hon. Gary Filmon (Premier):** Mr. Speaker, that is precisely the role of this forum. That is precisely why he and his colleagues were elected to this Legislature, to put forth their ideas. Now people in Manitoba of course know that the NDP ideas failed miserably during the 1980s. They know that they doubled our debt in a space of five years, drove up our interests costs from just around \$100 million to over \$500 million a year and put in jeopardy all of the public services that we have in this province.

People know that is exactly the same approach that is now being taken apparently by the Ontario Government of the NDP. They also know that in terms of employment growth on a year-to-date basis, Mr. Speaker, if he wants to look, if it makes him happy to look for bad news, I will have him look at the employment growth on a year-to-date basis in this country and find that Manitoba has the fourth strongest, a 1.6 percent employment growth during that first 10 months of the year compared to Ontario that has had a negative growth, in fact, a drop in their total employment, the second worst record in the entire country. They, in Ontario, are trying to buy their way out and dig their way deeper into the recession.

**Mr. Doer:** Mr. Speaker, it is precisely from the cheap shots from the Premier to this Chamber that we are suggesting an all-Party committee so he in fact can get above the gutter that he answers with to his questions. That is why we have said it was good and bad news in the unemployment statistics, but it is not very good news if you are a construction worker. It is not very good news if you are a manufacturing worker, and it is not very good news for those families.

### Business/Labour Summit

**Mr. Gary Doer (Leader of the Opposition):** My question to the Premier is: Given that he is unwilling to have an all-Party committee to deal with the recession to try to come to grapples with this in a non-partisan way, will he agree to immediately call an economic summit of business, labour and Government to try to grab and get a consensus in this province about how best we can manage, not just the tragedy of the recession as the Minister of Finance (Mr. Manness) is doing, but manage our way out of the recession as Manitobans want?

\* (1015)

**Hon. Gary Filmon (Premier):** I think that the Leader of the Opposition ought to try to come to grapples with himself, as he says, Mr. Speaker. The fact of the matter is, if he considers it to be in the gutter to simply quote facts on the record of the comparisons, the valid comparisons as to what is happening in this country, then that is a pathetic response on his part.

Mr. Speaker, I will tell this Leader of the Opposition that this Government has been planning for what was known to be an impending softening for almost two years, put aside a Fiscal Stabilization Fund of hundreds of millions of dollars that no other Government in this country had done because we knew that there were difficult times around the corner. It was seven straight years, the longest period in our history since the Second World War of sustained economic growth that we had to plan for some difficult times.

We reduced personal income tax rates so that every family in this province is paying lesser costs in income tax. We reduced the payroll tax, removed it from two-thirds of the businesses who had been paying it. We took education tax on farm land, and we have made other selective reductions to prepare for the difficult times, Mr. Speaker, and we will continue—

**Mr. Speaker:** Order, please. Order.

### Winnipeg Education Centre Funding

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, my question is to the Minister of Education.

As unemployment figures grow and as people find themselves out of employment opportunities, there is no better, no more optimum time to retrain, particularly those who live in the inner city.

Can the Minister of Education tell the House today why a year after the completion of the Coopers Lybrand review on the Winnipeg Education Centre he has not yet made a decision to increase the funding and to allow the construction of the new facility?

**Hon. Leonard Derkach (Minister of Education and Training):** Mr. Speaker, I can tell the Member for River Heights that it is not bricks and mortar that necessarily improve the quality of education. It is not the single factor that improves the quality of education.

Mr. Speaker, the Coopers Lybrand Report did point out that indeed the education component of the program is a good one, the results of which are very positive. We have many of the graduates from the Winnipeg Education Centre who are finding employment in the inner city and throughout Manitoba and are contributing to society.

Regardless of where the centre is, Mr. Speaker, the work is being done. The programs are being delivered. I am proud of the programs that are being delivered at the Winnipeg Education Centre, as are the people involved in the program.

**Mrs. Carstairs:** Mr. Speaker, we have learned that the Core Area Initiative funding of \$500,000 may no longer be available after the 15th of December, 1990, because of this Minister's ambivalence and indecisiveness.

Will the Minister of Education commit himself to a decision prior to the 15th of December so that we can guarantee we get these most needed funds so that there can be an appropriate facility in which appropriate education takes place?

**Mr. Derkach:** Mr. Speaker, there is much more to the education of people in the inner city than simply the construction of a facility to house the two programs that are now being delivered through the Winnipeg Education Centre.

Mr. Speaker, this Government has recently launched into an urban native strategy to ensure that in fact those people who live in the inner city will have their needs addressed. The results of that study are not complete. That is another aspect that has to be considered so that when we address the needs for training, retraining and education in the inner city, we have a complete picture and we can address it in the most appropriate and effective manner.

\* (1020)

**Mrs. Carstairs:** Mr. Speaker, this Minister ordered a report. That report has been available for a year. That report gave an unqualified bill of approval to this particular construction project because it was necessary to build the confidence.

Why is this Minister stalling? Why will he not make a decision which ultimately could result in not having a new Winnipeg Education Centre?

**Mr. Derkach:** Mr. Speaker, I could send a copy of the report over to the Member, but the report dealt with the programs. In the report it was very evident

that the programs at the Winnipeg Education Centre were of top calibre. That is what the report addressed. It did not address whether or not a facility should be built.

For that reason those programs continue, and they will continue, but in addition to those programs, we have to look at other areas which can be addressed and which can be enhanced for the opportunities for people living in the inner city.

### Lynn Lake, Manitoba Probation Services

**Mr. Jerry Storle (Flin Flon):** Mr. Speaker, more than a year ago the community of Lynn Lake was devastated by the loss of the LynnGold mine. Since that time the people of that community, the town council, the business community and individuals have been pleading with this Government to help them deal with the circumstances in that community, circumstances which include increasing crime and vandalism, petty crime as well as more serious crime. The Government has been woefully slow to respond to that cry.

What community members predicted would happen—that as frustration grew, Mr. Speaker, people would start to take the law into their own hands—we have seen happen in Lynn Lake.

My question is to the Minister of Justice. The community has identified a couple of things that could be done immediately to help the situation, and they include providing additional probation officers to supervise probation and to deal with young offenders.

Will the Minister of Justice today commit to adding staff to meet the needs of the people in Lynn Lake to deal with this terrifying problem?

**Hon. James McCrae (Minister of Justice and Attorney General):** I will review the Honourable Member's question and take it up with my departmental officials.

### Young Offenders Facility

**Mr. Jerry Storle (Flin Flon):** Mr. Speaker, my supplementary question is also to the Minister of Justice.

These questions and these suggestions come not from myself but also from the RCMP in the community of Lynn Lake.

Will the Minister of Justice contemplate locating a

young offenders facility, a detention facility or other facility in Lynn Lake to assist with the problem of repeat offenders and young offenders who are returned immediately to the same circumstances whereupon they continue to create problems for the community?

**Hon. James McCrae (Minister of Justice and Attorney General):** The whole issue of corrections facilities in our province and the delivery of corrections programs is at the present time being reviewed by the department. As I said in my first answer, the Honourable Member's points will be included in our review.

### Meeting Request

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, the community of Lynn Lake has a group of representatives here today, and they are trying to get a meeting with the Minister of Justice.

My question is to the Minister of Justice. Will he undertake to meet with that group to hear first-hand their genuine concerns and their growing frustration over the circumstances in Lynn Lake?

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, at the first available opportunity I would be happy to meet with someone. This is the first that the Honourable Member has raised this matter with me.

I have a problem with timing. This afternoon I have another engagement to which I am committed, but perhaps between now and that time, I will look at my calendar and see what I can do.

### Northern Tax Allowance Federal Announcement

**Mr. Steve Ashton (Thompson):** Mr. Speaker, just minutes ago in Ottawa the federal Government announced its latest changes to the Northern Tax Allowance. The new system they have established includes a northern zone which receives 100 percent and an intermediate zone that receives 50 percent. There will be some winners.

It appears that Thompson and Wabowden will be reinstated for at least 50 percent of the benefits. Other communities will lose. The Pas, Flin Flon, small communities such as Ilford will be cut back to 50 percent, and there are other communities that are identified for being eliminated totally from the allowance.

I would like to ask the Minister of Finance what

information he can give this House, based on his discussions with the federal Minister of Finance as to exactly what impact this latest system on the Northern Tax Allowance will have on Manitoba.

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I cannot give more definition to the news brought to the floor today by the Member. I can indicate though that obviously the strong lobbying efforts, particularly of the Minister of Northern Affairs (Mr. Downey), the Premier (Mr. Filmon) and myself to some extent in this matter have obviously borne some fruit. I think all Members of this House are probably grateful for that.

**Mr. Ashton:** I am surprised, Mr. Speaker, the Minister is not aware of this. If the Minister of Northern Affairs is taking credit for the communities that are being cut back to 50 percent, I am sure they will be very interested to hear about that.

\* (1025)

My supplementary question is: What action will the Minister of Finance take on behalf of those communities that are being cut back to 50 percent and other communities that are being reinstated but are not going to receive retroactive benefits? For example, it appears Wabowden will not get retroactive benefits whereas Thompson will.

What action will this Minister take on behalf of the communities who are still being affected by this Byzantine system of the federal Government that is putting one community against another in terms of treatment for the Northern Tax Allowance?

**Mr. Manness:** Mr. Speaker, once the full details of the decision are provided to us—and again I indicate the full details had not been brought to my attention before I came into Question Period—we will analyze the full impact and indeed some of the discrepancies as between communities, and at that time determine the approach we will take.

**Mr. Ashton:** Mr. Speaker, I will be glad to provide the information I have received from Ottawa to Members of the Government who apparently do not have it.

### Northern Tax Allowance Community Concerns

**Mr. Steve Ashton (Thompson):** My final question is to the Premier. I would like to ask whether the Premier will raise the concerns on behalf of communities that are being cut back to 50 percent, because many northern Manitoba communities will



be cut back and other communities potentially could be eliminated. Will the Premier raise these concerns with the federal Government which once again seems to have had some great difficulty in recognizing what is north and what is not?

**Hon. Gary Filmon (Premier):** Mr. Speaker, as I have indicated in the past, this Government has fully supported the northern communities who were seeking to be reinstated for Northern Tax Allowance. I have said that publicly in Thompson, so has the Minister of Finance (Mr. Manness). We met with the Northern Tax Allowance group in the Minister of Northern Affairs' (Mr. Downey) office. Our Minister of Northern Affairs led the charge, took that issue up with -(interjection)-

Mr. Speaker, the Leader of the Opposition (Mr. Doer) seems to be very distraught today and he is having difficulty. He cannot make up his mind who to appoint to committees, and his caucus will not give him authority to do anything, so he is sitting there complaining. The fact of the matter is that we will look at issues that affect Northerners and do our very best to assist them in their legitimate aspirations.

### Criminal Prosecutions

#### Assistant Deputy Minister's Comments

**Mr. Paul Edwards (St. James):** Mr. Speaker, my question is for the Minister of Justice.

The Minister of Justice's double standard when it comes to criminal prosecutions has not gone unnoticed, I would suggest, amongst Manitobans.

Ronda Lauzon was prosecuted through a jury trial where no evidence of criminality was found, and yet Land Titles Office employees are not even charged when caught with defrauding the public. Ronda Lauzon spent a night in jail the very night of her child's death, because she stole diaper ointment and milk for her children, and far from spending a night in jail, Land Titles Office employees are not charged or are not arrested.

Can this Minister tell the House what Mr. Whitley, his Assistant Deputy Minister, meant when he said, if there is a reasonable alternative to criminal prosecution, then reasonable alternatives will be pursued, and why was this same sensitive standard not applied to Ronda Lauzon?

**Hon. James McCrae (Minister of Justice and Attorney General):** A little while ago the Premier (Mr. Filmon) was referring to a problem the

Honourable Leader of the Opposition (Mr. Doer) has with the use of cheap shots. It seems to me the Honourable Member for St. James has a little bit of the same kind of problem this morning.

It demonstrates to me the height of cheap shots to be making comparisons between a case like the Lauzon case and a case involving parking privileges for people involved in the Government of Manitoba. -(interjection)- If the Honourable Member wants to ask an intelligent question, I would be happy to deal with the question.

\* (1030)

### Government Employees Parking Pass Forgeries

**Mr. Speaker:** The Honourable Member for St. James, with a supplementary question.

**Mr. Paul Edwards (St. James):** Mr. Speaker, let us be abundantly clear. For the Minister, does the Minister think that senior Government officials forging parking passes worth between \$400 and \$600 is less deserving of punishment than a single mother on welfare stealing milk and diaper ointment—

**Mr. Speaker:** Order, please; order, please. The Honourable Member's question is seeking an opinion and is therefore out of order. Would the Honourable Member kindly rephrase his question, please.

**Mr. Edwards:** Mr. Speaker, why is the Minister not prosecuting Government officials, senior officials who stole between \$400 and \$600 in parking passes when he does prosecute and force Ronda Lauzon, a single welfare mother, to spend a night in jail and go through a jury trial?

**Mr. Speaker:** The question has been put.

**Hon. James McCrae (Minister of Justice and Attorney General):** I am not going to engage in a debate with the Honourable Member about a comparison between these two offences. We are told by unidentified people; certain allegations are made. The Honourable Member states things and puts them on the record that are not in any way backed up by any facts or any investigative procedures.

In point of fact, it was felt that the process that was embarked on was the right one. It was very carefully approached by the prosecutions office, obviously, and that was done in this case. Discipline has been

taken against the employees. They have paid their \$10 parking tickets. The Honourable Member seems to have a way of making comparisons that really have no appropriate place in the discussion of the parking situation for Justice employees.

**Mr. Speaker:** The Honourable Member for St. James, with his final supplementary question.

**Mr. Edwards:** Mr. Speaker, the Minister knows we never will know the details, because charges were not laid to bring it into the public forum.

Mr. Speaker, finally, for the same Minister, can the Minister tell the House if indeed supervisors in the Land Titles Office were involved in this conspiracy to defraud the public and explain why these individuals are in fact being spared a public prosecution, only being given \$10 parking fines, when people like Ronda Lauzon are taken through a trial—

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

**Mr. McCrae:** I think Mr. Whitley answered the question well. The Honourable Member referred to that. Mr. Whitley said that if there is a reasonable alternative to criminal prosecution in a situation of misbehaviour, then reasonable alternatives will be pursued.

Given the nature of the misbehaviour in these cases, the matter was handled extremely carefully and considered carefully by those who make the decisions about how it should be handled. The Honourable Member's inappropriate behaviour in making the kinds of comparisons he does still does no service to people who find themselves in tragic situations—

**Mr. Speaker:** Order, please.

### **Economic Growth Stimulation**

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, I have a question for the Minister of Finance.

Although the Government and the Minister may wish to take some comfort from the labour force statistics, the fact is that the seasonally adjusted rate has jumped sharply from 6.6 percent last month to 7.4 percent this month. In fact, there are 7,000 more Manitobans looking for jobs this month compared to last month. Certain basic sectors have been particularly badly hurt. Manufacturing jobs are down by 8.1 percent—

**Mr. Speaker:** Order, please; order, please. I am sure there is a question here. The Honourable Member for Brandon East, kindly put your question, please.

**Mr. Leonard Evans:** My question, Mr. Speaker, and particularly in view of the fact that communication and transportation is down by 10.1 percent, will this—

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please.

**Mr. Leonard Evans:** . . . worse by the CBC layoffs, will this Government follow the lead of the Province of Ontario, which three days ago announced a comprehensive plan to combat the recession in that province—incidentally, their rate is about the same as Manitoba's—to create 20,000 jobs in that province and to stimulate investment in the business sector in that province?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I wish I were at greater liberty to divulge some of the discussion around that point that occurred yesterday at the Ministers of Finance meeting.

Mr. Speaker, I guess the tragedy is, when I survey the nation, nine provinces basically believe today that for the health and for the future of the nation, probably the finances and indeed the debt is more crucial than any constitutional issue before us, that the bindings of the nation are totally dependent in the future upon the debt of our nation.

One province is saying publicly that the solution to difficulty is continuing to try and borrow our way out of these difficult times. They seem to believe that their debt situation is such that they do not need to worry. They basically could care less what is happening in those other provinces where there is a significant debt level.

Mr. Speaker, I would have to say that the majority view by far in the extreme at the meeting yesterday was that provinces cannot borrow their way to prosperity.

### **Job Creation**

**Mr. Leonard Evans (Brandon East):** Given the fact that construction is down by 19.3 percent month over month, would this Minister of Finance at least take a look at the Ontario plan and see how that province intends to create jobs through an infrastructure renewal program among other things,

which will improve the environment, improve access for the disabled persons, improve fire safety and provide greater efficiency among other things?

Would he, at least, take a look at that plan?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, the Government of Ontario is talking of putting \$700 million into public works. That is equivalent, roughly, to \$80 million in the Province of Manitoba. We have increased within the Department of Highways in spending in the capital area by \$7 million this past budget. We have increased spending within the capital areas of other departments far beyond that in percentage terms.

Mr. Speaker, there is no Government in Canada that has made a larger commitment to capital, to capital increase in the Province of Manitoba in the 1990-91 budget. We are far ahead of the Province of Ontario in maintaining our spending in the area of public works.

### Stimulation

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, given the fact that the unemployment rates in Winnipeg at 7.9 percent are higher than Toronto which is at 6.7, will this Minister of Finance prepare a relevant plan to deal with the oncoming economic recession and the weakening economy and address in that plan the challenge of economic adjustment in Winnipeg and Manitoba and the restructuring that has to take place?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, there is something wrong here. I met with representatives from provinces across Canada who, when coming into Winnipeg, into our province, were very much impressed with the activity they saw, very well aware of the relative economic indicators and very well aware of the relative prosperity of Manitoba relative to their own provinces.

Indeed, one the Ministers most aware of those economic relativities was the Province of Ontario who thought that they were headed into a dismal recession. That is proven out by the labour force statistics that came out today. I say that the approach that we have taken with respect to taxes, with respect to trying to moderate our increase in expenditures is the proper approach. We are on the right path. I ask the Members to join us on that path.

### Education Finance Consultation Paper

**Mr. Dave Chomlak (Kildonan):** Mr. Speaker, my question is directed to the Minister of Education.

Due to the offloading by the federal Government to the provinces and the offloading by the provinces to school boards, school boards next year will be experiencing a major financial crunch.

In 1992 presumably a new financial education finance model will come into place. The Minister promised the consultation paper in 1989. He again promised one before Christmas. I am wondering, is it Christmas 1990 or 1991 when we will see this consultation paper on education finance?

**Hon. Leonard Derkach (Minister of Education and Training):** Mr. Speaker, I reject the preamble that the Member puts on the record, and that is that the provincial Government is offloading onto the school boards.

Indeed, if you take a look at the record and the support that this Government has provided to education in this province, it outweighs what the former Government did by a long shot. I might add also, I indicated that there would be a consultation paper ready for distribution before Christmas of this year, and that indeed will be the fact.

\* (1040)

### Winnipeg Education Centre Funding

**Mr. Dave Chomlak (Kildonan):** A supplementary, Mr. Speaker, the Minister also promised that he would be providing an answer on the Winnipeg Education Centre with respect to their financing by late fall. When I last looked outside, I think we are a little bit past late fall.

Can the Minister indicate when this Government, after commissioning a report and after making promise after promise—when the guarantee of the funds will be forwarded to that particular worthwhile education centre?

**Hon. Leonard Derkach (Minister of Education and Training):** If the Member has been in tune with what has been happening, indeed when the federal Government did not live up to their commitment to support the programs under ACCESS, which the Winnipeg Education Centre does offer—and that being the education program and the social program—Mr. Speaker, this Government put in \$2.6

million to ensure that those programs would exist. Indeed, that was our commitment, and he should have been paying attention then.

**Mr. Chomlak:** Mr. Speaker, this Government would only have to commit \$50,000 per year, which would take place with the present leaseholds in order to construct a new facility amortized over 20 years. When will the Government commit those funds to save money, not spend money?

**Mr. Derkach:** Mr. Speaker, that shows you the economic thinking over on the other side of the House. Indeed, the Winnipeg Education Centre is functioning in a facility right now, and I have indicated earlier today in Question Period that it is just not a matter of brick and mortar but indeed we have to put together a program that is going to address the very special needs that there are in the inner city.

### Open-Sky Policy Public Hearings

**Mr. Daryl Reid (Transcona):** Mr. Speaker, Manitobans, particularly northern and rural Manitobans, have a great amount at stake with the question of open-skies hanging over our heads, and this Government not knowing where it stands on this issue.

Given that the Minister of Highways has stated to the House of Commons special committee that we must take the time to consult with the industry, the communities and the public, will this Minister now strike an all-Party committee to hold public hearings throughout the province and consult with the people and the industry of Manitoba?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, I have great difficulty with that request. I outlined the process that I and my department were taking some time ago and the process is coming along very well. I have been meeting with three to four groups every day for the last two weeks.

We will be formulating our position through consultation with all people who are within the industry, with the communities, the towns up north, that process we hope to have completed by the beginning of next week. Then we will be bringing our position forward, which I then will be presenting to the federal Minister before Christmas.

**Mr. Reid:** Considering in the Minister's own statement that he said he would consult with the

public in Manitoba, I would like to know why this Minister is not holding public meetings so that people can put their thoughts on record and have this Government take those thoughts to the Parliament of Canada.

**Mr. Driedger:** Mr. Speaker, I have been meeting with people in the industry who serve the northern communities. I have been meeting with Lambair, Calm Air, Perimeter. I am meeting with Canadian, I am meeting with Air Canada. We have a meeting with the chambers, we are meeting with the Winnipeg chamber. We are meeting with the Brandon people, groups of them. We have made contact with Dauphin, Thompson, The Pas. The list goes on and on. We are doing the consultation that basically we indicated we would do, and we will formulate our position from that.

**Mr. Reid:** The Minister has indicated that he is meeting with the different industries of the province, but of course it is the people themselves who are employed in these industries who have a great deal at stake. I ask this Minister to also hold public hearings to allow these people who are employed in these industries to be consulted about their own future so that they might have some input into this process.

**Mr. Driedger:** It was less than two weeks ago when the Leader of the Opposition (Mr. Doer) criticized the Government for not having a position. At that time we indicated the process that we would go through. We have been following that process, and we are going to be having our position. Once we have a position established, we will let Members of the Legislature as well as the federal Minister know exactly what we are doing.

Mr. Speaker, I want to indicate that we have consulted in a way that normally would not have happened if we had followed the process that the Leader of the Opposition indicated when he says, stand up and make a position. We have developed that through consultation, and I am proud of the way we have done that.

**Mr. Speaker:** Time for Oral Questions has expired.

### TABLING OF REPORTS

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I am wondering if I could have permission of the House to revert to Tabling of Reports.

**Mr. Speaker:** Is there unanimous consent to revert

to Ministerial Statements and Tabling of Reports? Leave? Agreed.

**Mr. Manness:** Mr. Speaker, it is my pleasure to table the Second Quarterly Report of the finances of the province for 1990-91.

## ORDERS OF THE DAY

### House Business

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I first ask you to canvass the House to determine as to whether or not there is a willingness to consider Estimates this afternoon from one o'clock to four o'clock?

**Mr. Speaker:** Is there unanimous consent to go from the hours of one to four? No. Leave is denied.

**Mr. Manness:** Mr. Speaker, I would ask you to call then the Bills in this order: Bills 20, 24, 12, 18, 22 and 25.

## DEBATE ON SECOND READINGS

### BILL 20—THE STATUTE LAW AMENDMENT (TAXATION) ACT, 1990

**Mr. Speaker:** On the proposed motion of the Honourable Minister of Finance (Mr. Manness), Bill 20, The Statute Law Amendment (Taxation) Act, 1990; Loi de 1990 modifiant diverses dispositions législatives en matière de fiscalité, standing in the name of the Honourable Member for Brandon East (Mr. Leonard Evans).

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, I rise in the House to participate in the debate on Bill 20, The Statute Law Amendment (Taxation) Act, 1990, and although some of statute law amendments seem rather innocuous at times, this particular Bill is of critical importance because it has reference to The Retail Sales Tax Act and how it may relate to the GST, the goods and services tax, which Canadians from coast to coast vehemently detest and do not want to see brought in.

Mr. Speaker, I can say that having been part and parcel of a group in my own constituency who fought the GST and who demonstrated against the Prime Minister of this country when he came to Brandon last winter and tried to make their views well known to our Prime Minister, we did not want the goods and services tax. There were people there from all walks of life. We had professional people; we had union

people; we had dentists; we had tradespeople; we had nurses; we had retired people, people from all walks of life together who unanimously wanted to give Mr. Mulroney the message that we did not want the goods and services tax brought in.

I think that particular view is shared by the vast majority of people. I know that it is shared by the vast majority of people in Canada, and we have indicated our concern to the Government over the past year or so that it was critical we did not cascade or piggyback or add on top the retail sales tax to the GST.

Of course, this particular Bill now ensures that this will not happen, but the GST will still be there. It has given many Canadians, millions of Canadians coast to coast, a great deal of difficulty, a great deal of concern, people in all walks of life, poor people, business people who do not see anything good in the GST and simply want the Government of Canada to withdraw this particular piece of legislation.

I appreciate the fact that it is still not through the Senate. Perhaps it will be delayed further there, although I am not hopeful that ultimately it will be stopped in the Senate, partly because of the fact Mr. Mulroney, the Prime Minister of Canada, has stacked the Senate with additional senators in a very questionable way in my view, again offending the senses of the people of Canada. I think it is probably one of the reasons why Mr. Mulroney and the federal Conservative Government are so low in the polls—because of this insistence of driving through the GST at any cost, even though the Canadian people, coast to coast, 90 percent do not want the GST. Although this particular legislation makes a move, as I said, to ensure that we do not put tax upon tax, I only had wished that this Minister of Finance (Mr. Manness) and this Government would have been more aggressive in fighting the GST.

In fact, the Minister just chaired a meeting of Finance Ministers of this country. I had only wished out of that meeting came another communique to the federal Government and to Mr. Mulroney that we do not want the GST, that the Ministers of Finance do not wish the GST. Instead of simply talking about debt and the problem that debt might have on social programming, it seems to me another worthwhile element of that discussion and part of the communique should have, again, been to the federal Minister, to the federal Government, that we

do not want the goods and services tax in Canada. There is no question.

\* (1050)

Mr. Speaker, I do not know what the impact will be on Manitoba precisely. There have been various studies, but we are concerned on the one hand that it will create unemployment in Canada and in Manitoba. It will add to unemployment simply because that particular tax will withdraw purchasing power from consumers, and will withdraw money from Canadian households. They will have, therefore, less to spend on other goods and services that they may wish.

So this is a very deflationary, I should not say deflationary—it is a recessionary type of move. It is a move that, on the one hand, will make job creation even worse, will cause unemployment; and, on the other hand, it will cause more inflation. At least by not piggybacking on top of the GST, we are not contributing to that problem.

We are very concerned that Manitoba through The Retail Sales Tax Act not contribute to that problem.

Nevertheless, Mr. Speaker, the fact is that the GST coming in will be inflationary, and there are all kinds of studies on the matter showing that the GST is an inflationary move.

Therefore, I say, given the fact that we are in a recession in Canada officially, not only according to various private think-tanks but also in accordance with reports coming out of Statistics Canada, we have got the official confirmation that we are in a recession. I simply say, therefore, that if we are in a recession, this is a very bad time to introduce a tax which is going to make the recession even worse.

What we need, Mr. Speaker, is not more taxes, but we need initiatives on the part of the federal Government, joined by the provincial Governments, to stimulate the economy, to stimulate the business sector, to encourage business investment, and to encourage job creation.

I can appreciate that this is a very difficult matter. We do not live in a simple economy. We do not live in a simple world. While I appreciate the fact that Manitoba is not going to piggyback the retail sales tax on top of the GST, I only wish that this Government was more aggressive in fighting the GST.

As I said, along with the other Ministers of

Finance, there should have been a clear statement yesterday that the GST should not be brought in. I appreciate the fact that, unlike Manitoba, some provinces, and I believe Newfoundland is in this category, are going to piggyback, are going to cascade, their provincial retail sales tax on top of the GST. Goodness knows, the people of Newfoundland are taxed at exorbitantly high levels already, and this is going to make it even worse. I am not going to criticize Newfoundland. They will do what they will do. They have their own particular problems, and I am sure they are having difficulty finding sufficient revenue.

Nevertheless, Mr. Speaker, we agree with this particular move in this section of the Bill, and indeed I believe we showed some leadership over the past year, my Leader, myself and others in my Party, by calling on the provincial Government not to cascade, not to piggyback the retail sales tax in Manitoba on top of the GST. I believe our continued pressure ensured that this province moved in this way and as a result we have this Bill before us today. We ensured that this province was going to be sensitive to this matter and would not exacerbate the negative impact of the GST.

Mr. Speaker, unfortunately, while the Senate may be able to stop the GST, I am not very hopeful about it. I think ultimately the only way we will get rid of the GST is to get rid of the Mulroney Government. I think Canadians have come to that conclusion. In fact, the opinion polls show today that the popularity of our Prime Minister is probably the lowest of any Prime Minister in recent history—well, ever since polls were conducted.

I am sure that if there is a change of Government in two or three years that this particular tax—I would hope this particular tax would be removed. I know the New Democratic Party Leader, Audrey McLaughlin, accompanied by other Leaders across the country including our own Leader from Manitoba, have issued a statement. One critical aspect of the statement, one very important point, was the withdrawal of the GST and an introduction of a fair tax package.

I say ultimately to the people of Canada, the only way we are going to get rid of the GST is to change the Government and put in a Party that will commit itself to withdrawal of this unfair and hideous tax.

There are other ways we can raise revenues in this country. There are articles, indeed there are

books on the subject of alternative options to raise revenue. One area of course is the income tax area, and I think there is a lot of support for adjustments toward fairer taxation in this country and bringing about fairer taxation by adjusting the income tax system that we have. We know full well that there are thousands of corporations in this country that absolutely pay no tax, no corporation income tax whatsoever. This is a travesty, Mr. Speaker. In the United States, which is probably the epitome of a capitalist country, they insist that corporations at least pay some minimum tax. Even if that were followed in this country, the Government of Canada would have additional revenues.

At any rate, here we are going down this path of imposing a very hideous tax upon the people of this country and we in the Province of Manitoba and other provinces having to look at what we will do with our Retail Sales Tax Act. I know the Minister—some people would argue, well, we need the GST because the Government of Canada needs the revenue. I simply say, Mr. Speaker, there are other ways to raise revenue.

There are other ways to deal with the burden of the national debt. The burden of the national debt, which I know the Minister of Finance (Mr. Manness) is exercised about because he sees it as some kind of a threat to the national funding of social programs, I wish the Minister as chair of the Finance Ministers yesterday would have shown some leadership and said, let us issue a statement again. I know they have in the past. I know from time to time provincial Ministers of Finance have issued statements on interest rates, but this was an appropriate time to issue a call for a reduction of the prime rate, for a call for a change in monetary policy, for a call in a substantial drop in the interest rates in this country.

I appreciate the fact that interest rates in this country usually have to be higher than American rates, but the fact is, Mr. Speaker, in the past couple of years, our interest rates have been far in excess of what normally is the spread between the American rate and the Canadian rate.

Historically, the spread was no more than two percentage points and now we are over five. Earlier this year we were over a five percentage point spread.

So we say, Mr. Speaker, there is room to bring down the national interest rate in this country. Indeed, in doing so, simultaneously you will take the

pressure off of the country of the federal debt, because it is estimated if you drop interest rates by three percentage points there would be over \$5 billion—b as in Bob, billion—annually saved in interest payments.

Instead of putting this money into interest payments on the debt, the Government of Canada could have \$5 billion annually for all kinds of programs, including medicare and other social programs and other necessary expenditures.

There is an immediate benefit to the finances not only of the Government of Canada, but certainly to the provinces who also have to borrow and pay an exorbitant amount of interest rates.

Mr. Speaker, the other advantage, of course, of reducing the interest rate is that it will probably cause the Canadian dollar to be lowered vis-a-vis the American dollar. I say that in doing so we will be at more competitive levels.

We need a more competitive Canadian dollar, because if we could reduce the Canadian dollar to a more credible level, say 78 cents to 80 cents U.S., this would be a particular benefit to our hard-hit export sector and primary sectors of the economy, including agriculture, which is so important to this province, and to our various resource industries, such as mining, pulp and paper, forestry products and so on.

There is a double advantage in reducing the prime rate in this country, ease the burden of the debt and secondly stimulate the economy through increased exportation.

Of course, a lower dollar also provides additional protection to Canadian manufacturers automatically. This could also stimulate jobs, particularly in the manufacturing sector. Goodness knows that sector has been drastically affected in recent years by the Free Trade Agreement, high interest rates and everything that is entailed with high interest rates.

(Mr. Eric Stefanson, Acting Speaker, in the Chair)

Mr. Acting Speaker, in talking about this Bill, and with reference to the GST, I take the opportunity to say that there are alternatives to the GST. We need a fair tax package in this country; one that would eliminate existing loopholes, the business loopholes, personal loopholes; one that would increase tax rates on the top income earners; one that would bring in a minimum corporation tax; one that would bring in some taxes on wealth and

certainly environmentally hazardous materials. In addition, I say if we clamp down on tax evaders, tax cheaters, another way to raise additional revenue and to do it in a fair way.

\* (1100)

These alternatives, Mr. Acting Speaker, we say could cause us to eliminate the GST. At least these alternatives it is estimated could raise as much revenue as the manufacturer's sales tax, so it could be eliminated. We could eliminate the manufacturer's sales tax and have no increase in the federal deficit. So we would not need the GST.

The GST is bad. It is hurting low- and middle-income Canadians. It is going to increase inflation. It is going to cause more unemployment. I say it is time to have a package of tax alternatives that will reduce inflation, counteract and generally reduce inflation, stimulate the economy, and make the tax system fair overall at the same time.

In this Bill, as well, there is some reference to retroactivity in some sections which we cannot agree with, yet in other sections there is no retroactivity. Why has this Government not, in this Bill, made it retroactive to September 1?

As I understand it, some people are paying the GST already on subscriptions, on membership fees, various kinds of tickets and so on. The least we could do is to cause the Manitoba sales tax to be retroactive, as well, in terms of this cascading effect to ensure that the Manitoba tax was not imposed. Maybe the Minister can enlighten on this later, but I would understand that people are paying the retail sales tax on top of the GST for some of these items that had been charged the GST since September. So in all fairness, it would seem to me that we should have retroactive provisions here as well.

Mr. Acting Speaker, in the latter part of the Bill there is reference to retroactivity, as I was saying—if I can find my copy here—for various items. I say this is something that should be considered.

Some are retroactivity, sections—I know we are not supposed to talk about sections and parts—but this is a different kind of Bill, because it has a hodgepodge, miscellaneous collection of sections dealing with everything from Health and Post Secondary Education Tax Levy Act in Part 1, to Income Tax Act in Part 2, The Mining Tax Act in Part 3, Retail Sales Tax Act in Part 4, Tobacco Tax Act in Part 5, and so on.

It is Part 6 that I am talking about, Coming Into

Force, and why we could not have some retroactivity in this particular area. Maybe I am misreading this. Maybe the Minister can explain to the House or maybe in the committee, why this could not be retroactive. Perhaps that is something the committee should consider, and that is to make an amendment so that people who have been forced to pay the GST on some of these items that I mentioned—subscriptions, memberships, and so on—would not be paying this in a double-whammy sense. It would not be negatively impacted by a cascading effect.

I just might say, Mr. Acting Speaker, in passing, too, there is some confusion, I know on the part of some of our constituents and we have been getting phone calls in our caucus, as to the Government's move to fight the implementation of the GST in the case of Autopac, in the case of public insurance for automobiles. Yet it allows and stands by idly while the Manitoba Hydro goes along and allows the GST to be put on the bills. It allows the GST to be put on top of the bills that Manitobans already pay. This is particularly hard, I might add in passing, Mr. Acting Speaker, on those who heat their homes electrically. There are 100,000 people who heat their home electrically in this province, and they are particularly vulnerable to paying 7 percent on top of their current bill.

I am very disturbed, and our caucus is very disturbed, that the Minister of Energy (Mr. Neufeld) would at least not have gotten a legal opinion on this to see whether—

### Point of Order

**Hon. Harold Neufeld (Minister responsible for The Manitoba Hydro Act):** Mr. Acting Speaker, point of order. -(interjection)- Let not the Member for Brandon East leave on the record that Manitoba Hydro has permitted the GST to be added to the electrical bills. The Act specifically includes electricity as a taxable service to Canadians, and it is not the Manitoba Hydro that has allowed this to happen. It is the federal Government which has imposed a tax and specifically included hydro as a service that is taxable.

**The Acting Speaker (Mr. Stefanson):** The Honourable Member may have a point of clarification, but it is not a point of order.

\* \* \*

**Mr. Leonard Evans:** I appreciate the Minister's



remarks, and I am not trying to misrepresent him or anything else, but it seems to me we are ready to fight. The average Manitoban out there says, well, we are ready to fight. We will not allow the GST to be put on Autopac rates, and yet we stand by and we do not fight. We do not fight the feds. -(interjection)- Yes, and even though there is reference in the GST, why do we not get a legal opinion and say, well, as a Crown agency do we have to co-operate? We are a Crown agency of the people of Manitoba, the Province of Manitoba. Even though Mr. Mulroney refers to electricity in the GST, why do we not get a legal opinion? Why do we not try to fight it instead of being too reasonable in this matter? The people do not understand.

You know, on the one hand the Government says it will not build the GST into Autopac rates or will not allow that, and yet at the same time they see it on their hydro bills. The notice has already gone out. I have had a phone call, in fact a personal discussion with one of my constituents who was very, very upset about this. I say particularly hard hit are those who are paying hydro bills to heat their homes electrically, all 100,000 of them, and those people in northern Manitoba who I understand have a bill of what, around \$300 a month? So those people are particularly hurt.

Mr. Acting Speaker, it would have been good if this Government had shown more fight and more opposition to the GST than simply doing what it is doing in this particular Bill. We certainly support what is going on in this particular Bill in this respect. We have taken initiative. We have brought in our own Bill on the matter. It was declared out of order because the legal opinion was it had some reference to taxation and therefore it had to have a message from His Honour, the Lieutenant-Governor. I understand that. We stand on the position that we do not want to cascade, so we support this. We also say we need more opposition by this Government against the GST.

Mr. Acting Speaker, there are other sections of this legislation that I would like to comment on. One is the health and education levy, otherwise known as the payroll tax, and incidentally I see where the previous Ontario Government has brought in a health and post-secondary levy as well. I do not know exactly what they call it, so we are joined by Ontario who shares this tax with Quebec and Manitoba.

While I see what the Minister is up to in this Bill, it

is a carrying forward of a commitment made during the Budget Address when he introduced the budget, that the payroll tax would be utilized to encourage certain employers to train their people on the job. This is how I read these sections of the Act. There has been no explanation, we are not sure as to how this is going to work. We are not sure as to how the Government is going to ensure that there be bona fide training on the job because of the benefits provided in these sections. We want to ensure that employers train people whom they would not have trained otherwise. We have to make sure that there is additionality, some net additionality into work force training.

\*(1110)

So that is something that this Government will have to address and I presume this will be done in co-operation possibly with the Department of Education and Training. Reference is also made to truckers, commercial truckers, operating outside of Manitoba, with relief being given to them and we have no difficulty with that, Mr. Acting Speaker. I am quite satisfied with that particular move, but I would have to comment though with regard to the health and post-secondary education levy that is referred to in this section, in Part 1, pardon me.

In Part 1 of this Bill that we have before us, this levy is still well and alive in spite of all the protestations of the Minister of Finance (Mr. Manness) and the Premier (Mr. Filmon) and the Government generally that they are going to get rid of this particular levy. I predicted a couple of years ago that this Government would never fulfill its commitment to eliminate the health and post-secondary education tax levy that is referred in Part 1 of this Bill. If we looked at just the latest quarterly report that the Minister has tabled today for the first six months of 1990-91, we see that the levy is bringing in \$90,766,000, actually more than was planned. They had planned to bring in \$89,401,000, so there is approximately \$1.4 million more than planned.

So I say, Mr. Acting Speaker, at this rate of reduction in the tax, so-called reduction, it is not really an overall reduction. It is a changing of categories, expanding exemption limits and so on. The rate that this has been going on, this tax will be with us well into the 21st Century. So I say that this Government is not fulfilling a commitment to eliminate this particular tax and I can understand why. The answer is very simple. All you have to do

is listen to the speeches of the Minister of Finance (Mr. Manness) who keeps on talking about the problem with debt and the problem of deficits. If he got rid of this, he would be getting rid of a very major source of revenue.

I am not sure how much revenue we are giving up through these particular provisions mentioned in this Act. I am not sure. I do not believe the Minister gave us any estimate of how much tax would be forgiven by implementing these particular sections, Section 3.2, Section 3.2(1), Section 3.3(2) and Section 3.3(3). Just what is the financial impact of that? There is no way of knowing. I suppose even the Minister does not know, because he does not know what the take-up will be on the part of employers who want to train people.

The problem is, of course, Mr. Acting Speaker, that the demand for labour, the demand for workers, does vary with the business cycle and it is possible that if the demand for workers diminishes in the next few months during the winter, the take-up of this program will be rather light.

Of course, it depends on to what extent the Government advertises this program. If it says no more about the program, I can venture to say that these sections will have very little impact on the expenditures of this Government.

I would anticipate there would be very little by way of expenditures for training purposes if a concerted effort is not made to tell the business community that this plan exists and that they can take advantage of it, in the best sense they can utilize these incentives to train people. We certainly welcome that particular group.

I am not complaining about these sections, but I am just saying they will have very little impact if the Government does not administer it properly, and if the Government does not advertise it well enough with the business community.

I would imagine Section 3.2, with reference to commercial truck exemptions after 1990, I imagine this expenditure is much easier to estimate because we know the degree of truck traffic more or less and we have some idea probably of the operations outside of the province.

Regardless, Mr. Acting Speaker, I say that while we welcome this—I am repeating, I guess—nevertheless what the impact will be remains to be seen.

I have no comments to make in particular about

the mining tax amendments. We are not disagreeing with these either. There are references to changing years for a period commencing January 1, 1989 to the year ending December 31, 1991. We do not have any particular difficulties there.

Where I do have some difficulty, however, is the way that this particular matter of The Retail Sales Tax Act collection is being handled. Our Government here has already sent out notices to vendors; this is an information service document, which relates to this Act, which says that effective November 19, according to the Minister of Finance (Mr. Manness), the Minister of Finance has announced an amendment to The Retail Sales Tax Act. It now requires that vendors must collect tax on all sales of taxable products or services with no exceptions. It goes on—I am just quoting from this statement, Mr. Acting Speaker—this discontinues the acceptance of a purchaser's declaration of a refusal to pay the sales tax as an acceptable reason to not collect it. The sales tax will be deemed to be collected, which means that you are required to report and pay the sales tax on all taxable retail sales. Any failure to collect the tax from the purchaser as required will be at the vendor's expense.

Mr. Acting Speaker, I am not sure of why this move at this time. We are not sure of why this move at this time, because for years and years people who, for whatever reason, did not wish to pay the Manitoba retail sales tax could advise the vendor. The vendor would fill in the appropriate form and send it to the Minister of Finance's department, and they would deal with it one way or the other. Now we are putting the vendor on the spot that he or she must collect this sales tax or else not sell the item or the service.

That is one question. Why is this particular part and this action by this Minister being carried out in this way? Why are we at this time telling people we will no longer continue this practice and that there will be no exceptions whatsoever?

We have had some constituents phone us about this. We have had some calls and some vendors are upset about this move. There are certain categories of people who may claim exemption, particularly those who have treaty status, I would imagine, and who may claim that they do not have to pay this tax. They have had the opportunity to do this in the past and no longer will they be able to do this.

\* (1120)

However, I suspect, Mr. Acting Speaker, that when the GST is brought in there is going to be a mass of resistance to paying the GST. The retail sales tax may get sucked up in the process, so hordes of people may now begin to refuse to pay the GST and the retail sales tax of Manitoba.

That may be the fear of the department, of the Minister. I do not know because he has not come out and told us really why this change should be made at this time. This practice has gone on ever since I suppose this taxation Act has been in place. Here we have an amendment in this Bill which says in effect that the vendor must now collect this tax.

The other problem I have is with the timing of this. Really, Mr. Acting Speaker, this document is illegal. The move by the department is an illegal move. That is a serious affront to this Legislature. It is a serious affront to parliamentary democracy, to legislative democracy as we know it.

This is not a bureaucratic democracy, I trust. Sometimes I wonder. This is supposed to be a legislative democracy, and here we have the department going out, carrying out the provisions of this Bill which has not been passed. That is illegal, Mr. Acting Speaker. It is illegal by any stretch of the imagination.

I say that this is an affront to the Legislature. These matters, similar situations, have been addressed in Ottawa from time to time. I believe Speaker Fraser had a lengthy ruling on some federal ad which was out—I do not know the detail, I do not have the notes with me—some federal advertising with reference to legislation that had not yet been passed.

I know of course the defence is, well, we bring in budgets and we change taxes and we have to implement them at certain times. That is different. That is a message in a budget speech. That is an official statement made by the Minister, and particularly of a majority Government.

Now this is not a budget speech. This is a Bill. It is an ordinary Bill, The Statute Law Amendment (Taxation) Act, and there are provisions here that will require vendors in the future to collect this tax with no exceptions.

The Bill is still not law and yet we have bureaucrats, Government officials, out there stepping on vendors all over this province saying there are no exemptions as of November 19. Here

it is December—whatever it is today—December 7. This is still not law. At the rate we are going, this may not be law for months yet, particularly, if we do not get further co-operation from the Government's side on new legislation that they seem to want to bring in all the time. So this is an affront, Mr. Acting Speaker, to this Legislature. It is something all Members on both sides should be very concerned about.

So I will wind up. I only have two minutes left, I understand, but I say that we can support the elimination of the possibility of cascading. Indeed, we led the fight for this, so obviously we would support that. We are concerned, as I said, that there is not retroactivity for certain sales of products that have had the GST levied on them since September 1. That is unfair. That should be addressed in the committee. Maybe the Minister will come up with an amendment himself.

Thirdly, Mr. Acting Speaker, we are concerned that this Government is acting in a very highhanded fashion, acting illegally, allowing the officials to go out, forcing Manitoba business people, vendors, to collect the tax without any exception when the law has not yet been passed. That is a very serious affront to the Legislature. I tell all Members of this House, whichever Party you are with, whichever side you are on, that this is a serious matter. It is a precedent that must not be allowed to go on.

Well, having made those remarks, Mr. Acting Speaker, we will likely have further to say on this Bill if and when it gets to committee stage. Thank you.

**Mr. Reg Alcock (Osborne):** Mr. Acting Speaker, I would like to put a few remarks on the record about this Bill also. I cannot begin without commenting on the remarks made by the Member for Brandon East (Mr. Leonard Evans) who came to the cascading issue, not in the lead position, but somewhat lately and somewhat reluctantly. I think the record is quite clear on that from the last two Sessions.

I do concur, however, with his remarks about the retroactive provisions in this Bill. I do think that the Government is out in the field right now enforcing things that it may not be able to bring into law for some time to come.

Let me step back from the debate on the specific amendments that are proposed in this Bill and talk a little bit about the questions that the Finance Minister (Mr. Manness) faced coming up to this. I think the thing that causes me the greatest amount of concern as we sit in this Chamber day after day,

and as we question the Finance Minister day after day about the plans of his Government to meet the recession that is upon us, he keeps telling us how wonderfully well things are doing. When we challenged his predictions of 4.5 percent growth in retail trade in this province, he told us that we were wrong and that he, indeed, had the figures and not to worry, because his retail sales tax figures would support his position.

Well, his retail sales tax figures are out now, today, Mr. Acting Speaker. They show not a 4.5 percent increase over last year, but a 1.3. Retail sales in this province are suffering; they are suffering badly. They are falling further month after month. September was the worst month in the 1990 year. So despite what the Finance Minister (Mr. Manness) in this province has to say, the situation is not getting better. It is getting worse.

When we look at corporate income tax over last year, we are down 19 percent. The revenue from Manitoba corporations is down almost one-fifth over the same period last year. Mining tax is down 64 percent. Another indicator, Mr. Acting Speaker, is the various fees and levies that the province collects for the services that it provides. Revenue in that area is down 4.1 percent.

Mr. Acting Speaker, all that this six-month report does is reaffirm every concern that has been raised in this House over the last six months. I think it is time that the Finance Minister was a little more forthcoming and a little more prepared to demonstrate to us that he, (a) understood the problem, and (b) had some sort of plan to help Manitobans get out of it.

Now, I have mixed feelings about this Bill, because there are some parts of it that I think are indeed consistent with the policy positions that we put on the record in the last Legislature, the particular one being cascading. That is something that we spoke to the Government about a great deal, and that is something that we took some action on in the last Session. The Government has accepted that position, and I congratulate them for doing so, because it will cost, as the Minister has indicated, the provincial purse some funds. It at the same time is going to go some measure towards easing the burden that all Manitobans are going to feel when this federal tax comes into being, should it come into being.

Let us look at some of the other changes in this

Bill. On the health and post-secondary education tax, the Minister has done a couple of things that I think people should be concerned about, and things that people should question a little more closely than perhaps they have to date.

The first is that he has reached out to one industry, one sector of the business world, and given them a special exemption. Why has he done that? Has he done it because it is the only sector of industry that is in trouble? No. Has he done it because he can show some offsetting economic benefit in doing that? No evidence has been presented. Yet, despite that, he has given one sector of this business community an exemption that he has given no others. I think the Minister should be asked to account for that, and we will ask him to account for that when we get into committee to deal with this particular Bill. He did not reform the tax on behalf of everybody. He reformed it on behalf of large trucking companies, and I think that bears some examination.

He also provides for a refund of the payroll tax, and we have questioned this on several occasions. One of the questions we asked the Minister during Estimates was: Would there be provisions that prevented people from simply writing off existing employment and training opportunities against tax payable? In other words, is this simply an \$8 million giveaway to large corporations who are already incurring the expenses to provide training, who are already writing it off against corporate income tax and are now able to claim an additional write-off totalling \$8 million, if they all take advantage of it?

The question comes up all the time about the appropriateness of Government spending. Some Government spending is through the budget in terms of direct expenditures; some of it is through tax expenditures. Here is a tax expenditure of \$8 million. Now, the question you have to ask: Is this the most appropriate way to spend \$8 million, or would that \$8 million be better spent in providing some quality housing? Would that \$8 million be better spent in providing some support to the Ministry of Family Services and protecting children in these provinces? Would that \$8 million be better spent in helping the handicapped, 63 percent of whom live below the poverty line? This Government has made a decision to give \$8 million to the largest corporations in this province to do something that they are already doing. I think the wisdom of that needs to be questioned, Mr. Acting Speaker.

\* (1130)

On The Income Tax Act, the Minister has chosen to extend the exemption to small businesses. This is in many ways almost a meaningless exercise in that a small business in the first year of incorporation would rarely show a profit in any event, but the Minister has carried this forward. It is more window dressing than reality.

The Mining Tax Act is an interesting statement here, and that is this business Minister has not been able to make arrangements with the mining companies to pay appropriate Manitoba corporate income tax directly, and he needs more time. He has had two years to do it, but he needs more time. That is why he has chosen to continue the special tax on mining profits.

I think the Minister might redouble his efforts to get a more appropriate system of taxation in place, and stop pretending that he is prepared to take a tougher hand with these companies. We have lost \$55 million in mining tax revenue last year over this. With the continuing downturn and the ability to write off developmental expenses, the likelihood in the predictions of the future are not particularly comforting.

On the retail sales tax, the Minister has done in part what he said he would do. He has eliminated the provisions that allow for cascading, he has agreed to tax alongside. This is an important step. It is a step that was called for.

The Minister has noted and made some of the consequential amendments that will make sure that this tax is applied evenly. I think in doing that, he has also used these changes to bring in a couple of other little changes. The Member for Brandon East (Mr. Leonard Evans) has referenced one of them, which is this retroactive provision to enforce people to pay retail sales tax whether or not they have collected it.

The Minister is aware, I have seen copies of correspondence that he has received from small businesses that are experiencing problems with this right now, where they have a difficulty in collecting it, or when the collections that they make turn out to be invalid. Yet, now they are being forced to pay that without any kind of recourse to the Minister or to his department.

I think that is not appropriate in a small province like this within the small business community. There is an opportunity for the Minister to exercise some discretion and he should.

Beyond that, we are prepared to see this Bill move quickly. We think that the strength of the cascading provisions are such that this Bill should pass. It should go to committee. We have some questions in committee that we would like to see answered.

We do, however, have a fundamental concern, and that is that this Bill may not pass. The way that this Legislature is currently proceeding, this Bill may not pass in time for these provisions to come into effect.

I would like to assure the Minister that we are prepared to act to facilitate the passage of the cascading sections of this Bill to see that is in force in time to meet the deadline for the implementation of the goods and services tax, should it pass the Senate.

Beyond that I think, Mr. Acting Speaker, there are some questions that are legitimate and should be asked.

With that, I will bring my remarks to a close and look forward to the passage of this Bill, upon the Member for Thompson (Mr. Ashton) standing in his seat. Thank you.

**Mr. Steve Ashton (Thompson):** Mr. Acting Speaker, I appreciate the kind remarks, the Member for Osborne—I was in discussion with the Government House Leader (Mr. Manness) at the time and I appreciate—

**An Honourable Member:** Did you get anywhere, Steve?

**Mr. Ashton:** Well, as to whether we got anywhere, in terms of discussions, that will remain to be seen. We are certainly continuing to discuss the Session, Mr. Acting Speaker, and will be continuing to discuss the future of this particular Session.

The reason I am speaking on this Bill today is it is quite relevant. In fact it is in regard to a matter I have raised in the context of the budget. This is a Bill incidentally that is essentially almost a by-product of the budget, the taxation policies of the Government and it is in regard to the whole question of the Northern Tax Allowance.

I say it is relevant because this morning in Ottawa the Minister of Finance announced yet another series of changes to the Northern Tax Allowance. It is going to impact very definitely on Manitobans and it is going to impact on the taxation policies and programs of this Government. That is why I did want to raise this issue today. As I said, it is very timely.

I want to remind those Members who perhaps are not familiar with the background of the Northern Tax Allowance the fact that this has been an ongoing battle. In fact I have been fighting since January and February of 1987, within literally weeks of the original announcement of the original Northern Tax Allowance system that replaced the previous system, Mr. Acting Speaker, that had been in place for a number of years. Previously certain employees were able to obtain Northern tax benefits, but many were not.

In December 1986, there was an announcement of a system that would broaden and simplify the process. Well, there was one problem. Many northern communities looked at the announcement of the federal Government and found they were not included. I say, many northern communities in Manitoba, for example Thompson and Wawbowden, were not included in the original list. It was because they had adapted criteria that were not developed on the basis of the Northern Tax Allowance, but criteria that were developed in terms of the payment of northern allowances to federal employees.

There is a point structure. Some communities were included; some were not. In the case of Thompson, it was excluded because it was over 10,000 population. In the case of Wawbowden, poor Wawbowden was on an all-weather road. It was south of 55 and it was too close to the City of Thompson, so it was excluded.

We fought in 1987. We fought throughout the summer. We fought throughout the fall. We fought throughout the winter. When I say we, it was everyone in the communities affected. I raised this repeatedly in the Legislature. Rod Murphy raised it, as Member of Parliament, in the House of Commons. We organized petitions. Other individuals in Thompson did as well. Janet Johnson, for example, who has been involved and I have worked very closely with, organized a petition that received thousands and thousands of signatures in the spring of 1988.

Then we thought we had won. We received an announcement just barely before the finalization of the tax forms, Mr. Acting Speaker, that said, yes, communities such as Thompson and Wawbowden would be included for 100 percent of the benefits. We thought we had won in the spring of 1988. People were, I might add, quite euphoric in the sense that here was an example that we thought

anyway showed that here was a Government that had finally listened to people in the North.

For those of us who thought that for one fleeting moment, we were wrong, because almost immediately—in fact, without any publicity as part of the announcement itself—we found that communities were being phased out. In fact, most communities did not find, conveniently until after the 1988 election, that they were losing the Northern Tax Allowance. In the case of Thompson and Wawbowden, it was phased out from a hundred percent, to sixty-six and two-thirds, to one-third, and then the situation we find ourselves in the current tax year, to zero.

So people say, how can this happen? We fought back at the grass-roots level. We made our point. We thought we had won the battle. As I said, almost immediately after the election, people found they had lost it.

The federal Government received pressure from a lot of those communities, and what they did is they appointed a task force on the Northern Tax Allowance. It went around and had hearings, came to Thompson, heard many briefs. It had briefs from communities such as Thompson, Wawbowden that were directly impacted that we were losing the allowance. There was also a brief from Bob McClaverty, the mayor of Thicket Portage which had not lost the allowance—was receiving 100 percent—who went before the commission, the Northern Tax Allowance Task Force, and said, are we going to be affected in Thicket Portage? They were told in Thicket Portage they would not be affected, because the task force was looking at the issue of communities that had previously received it in 1988, and had been taken out of the allowance. It was looking at borderline problems, but communities that had received it previously, the 100 percent amount, would not be affected.

\* (1140)

In fact, what happened was if you look at the criteria of the task force, they had a revenue-neutral mandate. They were essentially not supposed to change the entire structure. What they were supposed to do was come up with a fairer structure. People thought their concerns had been listened to, and then what happened? Last year in October of 1989, the task force released its report. It stunned northern Manitobans. It was incredible, Mr. Acting Speaker. -(interjection)-

I wish the Member for Portage (Mr. Connerly) would not make light of this very serious matter, because if he would take the time to talk to people in Thompson, and I would remind him when it came to the concerns of the citizens of Portage, the constituents he represented, I spoke in this Legislature on behalf of their very legitimate concerns about the closure of the air base by the federal Government. I would hope that he would not make light of the concerns that I am expressing in regard to the Northern Tax Allowance.

They found out that this task force had brought in recommendations that were going to eliminate 90 percent of the communities across northern Canada. They drew a line just south of Lynn Lake, Leaf Rapids and Gillam. It said, for example, that Ilford, a community that I represent, Pikwitonei, Thicket Portage—these are communities that do not have roads, have train service three days a week, do not have scheduled air service. Do you know what happened? They recommended they be cut entirely from the Northern Tax Allowance.

This was the task force that was supposed to listen and deal with those border concerns. One of the watersheds on this was when the vice-chair of the task force came to Thompson. I can tell you I have never seen so many angry people in the nine years that I have been in political life. I would say they were beside themselves with the arrogance that was expressed by this particular individual. He brushed off questions.

**An Honourable Member:** Was he a Conservative?

**Mr. Ashton:** Was he a Conservative, the question was raised. I believe they were all Conservatives. I know that a former Conservative Cabinet Minister was the chair of the task force. This was raised by people at the meeting. This cost them a couple of million dollars.

**An Honourable Member:** Do they know that the Golden Boy faces the North?

**Mr. Ashton:** Indeed, the Golden Boy does face north. They were turning a blind eye to what was happening. People were saying, how can you recommend these massive cuts to the Northern Tax Allowance, when you heard time and time again from people saying that they want a fairer system? They want a fairer system.

There was some result of this task force. It so inflamed public opinion in northern Canada that northerners in community after community after

community said to the federal Government, drop the task force.

You know what the federal Government did? Yes, indeed, they tabled last year the recommendations of the task force and they said, you will continue to receive one more year Northern Tax Allowance to every community.

What did that mean? It was good news for The Pas, Flin Flon, Ilford, Thicket Portage, Pikwitonei, communities such as that, but Thompson and Wabowden were to get one more year of what? Of nothing, because they had already phased it out. People were saying, what next? What next, indeed, Mr. Acting Speaker?

We went down to Ottawa. We sent more petitions. We sent more letters by the thousand. We went down in fact in September. I was part of the delegation. I left the day after -(interjection)-

How many thousands of letters? I would say that, over the period of time, the separate letters and petitions in Thompson, there would be at least 10,000. There were various letters and petitions that were sent in for the information of the Minister for Rural Development (Mr. Penner). I realize he may not be familiar with all the details of the issue.

I am not talking about letters that were organized by myself or the MPs strictly. Indeed, I was involved with various petition campaigns. I am talking about the grass-roots efforts, the grass-roots letters. They included not just form letters but people who signed and wrote and took the time to write directly to the Minister of Finance.

We went down to Ottawa in September, within days of the election—in fact, I left the day after the election. It was that important to go down. We went down with a committee of people from Thompson, from other communities in northern Manitoba including The Pas and indeed from northern Canadians across the country, and they sat down.

What was amazing was how similar the concerns were, how people in those other communities felt so ignored by the task force, and by the federal Government. They demanded a fairer system.

The Government has obviously listened to the consultations. I was disappointed incidentally that the Minister of Finance himself chose not to meet with northern Canadians. We had a meeting with the Deputy Ministers, including the Deputy Minister of Finance.

This morning an announcement was made on the Northern Tax Allowance. What is the result of this announcement? It is mixed news. It is good news, it is bad news. It is good news, it appears that Thompson and Wabowden are being included from the map, although experience in the past has shown that has to be confirmed in writing before we can take that assurance.

It appears that other northern communities will maintain 100 percent status. The zone that was recommended by the task force was put in place, but other communities are being cut back. What are those communities? I will tell you. They are communities such as Ilford, Thicket Portage, Pikwitonei, Wabowden, York Landing, Split Lake, and Nelson House. They are all being cut back. All communities that I know full well from my constituency deserve better treatment than to be considered not fully northern. They are going to receive 50 percent of the benefits, 50 percent.

That means that Gillam will receive 100 percent, which has all-weather road access, rail service, scheduled air service, is a community of over 1,000 people probably in terms of current population. Whereas Ilford, a community of barely a couple of hundred people with no road, no rail service other than on a three-day-a-week basis, and no scheduled air service, is going to receive 50 percent. Is that fair? How is that fair? If this sounds rather Byzantine and complicated and Kafkaesque, if you want to use that term as well, it gets worse, because they are phasing in and they are phasing out again. There are communities that are being cut from the allowance. They are being phased out of the allowance.

(Mr. Speaker in the Chair)

There are communities that previously had 100 percent. They are going to be phased out of the allowance starting in 1992 over a couple-of-year period down to the 50 percent. I think it is probably significant that 1992 is probably the most likely year for the next federal election. In other words, they will not be phased out until after the next federal election. I do not think that is an accident.

It gets even more complicated because it appears that in the case of some communities they will receive retroactive benefits. If Thompson has been included because it is north of 55, it will receive retroactive benefits on the Northern Tax Allowance going back to 1989.

**Hon. Darren Praznik (Minister of Labour):** What Bill is that?

**Mr. Ashton:** It is on the tax Bill, for the Minister of Labour, and this relates directly to a question that affects taxation in this province, and it should be of direct concern to him as a Minister of the Crown. The problem is Wabowden is south of 55 and according to the announcement this morning, I am concerned that Wabowden will not receive the retroactive tax benefits that Thompson will strictly because of the parallel. If that sounds like a suggestion that is exaggerating the situation, it most definitely is not.

For the information of Members, if you want to see how ridiculous the system has gotten before, the community of Thompson was excluded, the community of Wabowden was excluded. However, a number of individuals who reside year-round at Setting Lake, which is further north than Wabowden, found they were eligible for the Northern Tax Allowance. Now wait a second, people are probably going to say, earlier I said that Wabowden was not eligible because it was too close to Thompson. Yes, indeed, it was too close to Thompson under the criteria for communities that are south of 55. We are in the situation, Mr. Speaker, where the Setting Lake cottage owners, because they were north of 55, were not considered too close to Thompson. That is a particular concern, Mr. Speaker—

**Mr. Speaker:** Order, please. I would like to remind the Honourable Member that at second reading, it is the principles contained in the amending Bill which are to be debated. Bill 20 contains no reference to the Northern Tax Allowance. I have allowed considerable latitude but must caution the Honourable Member to keep his remarks strictly relevant to the specific provisions of the proposal, proposed Bill 20.

I would like to refer to Citation 665. It is on the second reading of the amending Bill. It is the principles of the amending Bill which form the business under consideration. Debate must be related exclusively to the principle of the amending Bill.

**Mr. Ashton:** My remarks addressed directly to the fact that the provincial Government has not addressed the Northern Tax Allowance in this Bill. In fact, my very real concern, as expressed with the budget, as expressed again today, was the fact that the provincial Government had a direct role to play, because the Northern Tax Allowance results in tax



benefits to northern communities that are eligible in terms of both federal and provincial taxes. In fact, I had asked, as had our Party, that the Northern Tax Allowance be adopted provincially if, indeed, the federal Government cut back with the allowance.

\* (1150)

That is the situation I am dealing with at the present time, the fact that this taxation Bill could have dealt with the Northern Tax Allowance but did not. It did not. I appreciate your comments, Mr. Speaker, and I apologize to Members of this House if I went into a lengthy explanation. I believe the lengthy explanation was important so that Members understand exactly what we are talking about in terms of the Northern Tax Allowance.

Members who perhaps do not have the direct contact with northern Members, particularly new Members who were elected after much of this developed, I wanted to ensure that they had a full background and understanding just why Northerners are so concerned. I notice a number of the Members were listening quite intently and I appreciate that fact, because this is one issue where, at least to a certain degree, not on everything, there has been a relatively nonpartisan approach on the issue.

We met—for example, when I say we, members of our tax allowance committee—in Thompson with Members of all three Parties, the Leader of the Opposition (Mr. Doer), the Leader of the Liberal Party (Mrs. Carstairs) and the Premier (Mr. Filmon), a number of months ago. In fact we met, I believe it was the day after the election. I appreciate the fact that all three Party leaders took the time at what was obviously a very busy time, a very difficult time for all of us being in an election, to meet with the delegation.

There are areas of disagreement, as I said, in terms of whether there should have been a commitment, or should be in the future, toward a provincial Northern Tax Allowance in terms of communities affected. That is one of the omissions of this Bill which I referenced, but I am not trying in any way, shape or form to suggest that it is strictly an issue where there is one side and the other defined on political purposes within this Legislature. Indeed, I suppose there may be some Northerners who will very much reference it in a political sense. I mean, obviously, it is a federal Conservative Government that has been acting in this way, but I

am not in any way trying to translate to the provincial political arena. What I am trying to point to, Mr. Speaker, is the fact that, even after the announcement today, the issue was continuing.

We would not be in the same sort of difficulties we are in currently if the Government had made a commitment in the budget, if it had in this Bill, The Statute Law Amendment Act, the taxation Bill, the Bill that enacts the taxation policies of this Government as part of its budget, a Bill that we have every year. If this Bill, Bill 20, had included reference to the Northern Tax Allowance, I believe we would be in a stronger position in dealing with the federal Government today.

Where do we proceed from here, given what has happened in the last period of time? I would suggest the first thing is to determine exactly what implications the announcement of the federal Government are going to have. That is important, Mr. Speaker, not just to the province. It obviously has to determine how it is going to impact on its own tax collection in the North, but its impact on northern residents. I believe the next stage has to be to identify some of the anomalies that appear to have been continued in this announcement. As I said, it is not all good news or all bad news. It is certainly good news for the communities that are being reinstated for the Northern Tax Allowance. It is bad news, however, for those that are being cut back.

I think part of the problem is that the federal Government has brought in a tiered system which was certainly supported by its consultation, but has once again not attempted to judge committees on a basis that looks at the specific characteristics of those communities. It has taken a number of lines on the map and tried to slot all communities into the same category. Now, how can you compare Thompson with Wabowden, or Thicket Portage, or Ilford? How can you compare those communities? How can you say that Gillam on the one hand, and Ilford on the other, are different? How can you say that Lynn Lake and Pukatawagan are different communities, because both are being treated differently?

This is an issue that the provincial Government, I believe, still has to address. I want to say that this issue is not over, and I am not totally condemning the federal Government. I am not being totally negative, because this is certainly a substantial improvement over what would have happened if the task force had its way and cut 90 percent of the

communities. What it has done is it has partially cut 90 percent of the communities, but still it leaves a lot to be desired.

I will look forward to statements from the Government side, whether it be the Minister of Northern Affairs (Mr. Downey) or the Premier (Mr. Filmon) or the Minister of Finance (Mr. Manness), in terms of ways of continuing to raise these concerns. I will certainly be raising this in my capacities in this Legislature representing many of the communities affected. In fact, all of the communities in the Thompson constituency will now really receive something but not the entire amount. I would hope that the provincial Government would not ignore its role.

As I said, part of the Northern Tax Allowance is a break on provincial taxes. It should have been addressed in the budget. It should have been addressed in this Bill, Mr. Speaker. That was my intent in terms of debating. As I said, I do apologize for the lengthy discourse on the background of the Bill, but I realize that many people are not as aware as we in the North are on terms of the Northern Tax Allowance.

In fact, in the North, I think if I went more than a couple of weeks without speaking out on the Northern Tax Allowance, people would be surprised, because it has been an ongoing issue. It has been an ongoing source of frustration.

The bottom line, Mr. Speaker, as is the bottom line with this Bill at any level, is, yes, you could argue it is the financial impacts, one way or the other; the numbers of dollars and cents affected.

There is something more than that. There is a principle. It is the principle of fair taxation. It is a principle that every Government, surely, seeks to follow. It is a principle that may vary between different Parties, different philosophical and ideological approaches.

Mr. Speaker, what can be more simple than to say that if you have a Northern Tax Allowance that you treat all Northerners fairly, that all Northerners should be eligible for at least something, and that you have a system that is fair between different communities in the North and different residents of the North.

I believe what has happened today is one step forward and one step back, in terms of that. It has moved some communities substantially ahead of where they were a couple of months ago. It has

moved other communities further back. For this reason, it is most definitely an issue that the Minister of Finance (Mr. Manness), in particular, should be raising.

I do not know if it was raised or discussed by the Minister of Finance at the Ministers of Finance meetings yesterday. Certainly, it would have been appropriate, given the fact that the announcement was being made today. I would hope that some notice had been given to the Minister of Finance. It had been given in Ottawa to Members of Parliament.

That is one of the reasons I requested a copy as soon as it was announced today, because I wanted to ensure that we discussed this today, as we did in Question Period, as I am doing on this particular Bill. What I think is going to be important is over the next week or two to determine how it is defined, how this policy announcement is defined. As I have said in the past, it has not always been as clear in actual fact as it has been in theory. I think the provincial Government, and I believe all three Parties, can play a significant role in doing this.

I want to indicate to the Minister of Finance that if he wants to look at some sort of joint effort between the various Parties in this Legislature, we are certainly willing to look at that. We went down, as I said, I went down to Ottawa. It was a nonpartisan-across-Canada delegation. I believe there has been a relatively nonpartisan spirit in the Legislature on this.

I believe that is the route we should continue in the future, certainly, at this legislative level. If anyone is to blame for the mess, it is obviously the federal Conservative Government in terms of implementation. While we may disagree on the question of a provincial Northern Tax Allowance which, in some sense, may be considered a political issue in terms of the statements, obviously, the provincial Government has supported the position we have taken right from the start that communities should be included in the northern tax zones.

So I am saying over the next period of time, Mr. Speaker, even though this Bill does not include reference to the Northern Tax Allowance, I believe that we should be moving ahead on a nonpartisan basis to try once more to persuade the federal Government to come up with a totally fair system. This system is fairer than the task force system, but it is not a totally fair system. That is the bottom line.

A lot of work still needs to be done. A lot more will be said about this issue, if not by other Members of the Legislature, by Northerners themselves.

With those comments, I do conclude my remarks, Mr. Speaker. I know the Member for Broadway (Mr. Santos) will be adjourning debate, and we will be continuing the debate another time so we can continue into discussion of other Bills.

I thank Members for their attention on this very important matter, not just to myself but to all Northerners.

\* (1200)

**Mr. Conrad Santos (Broadway):** I would like to move a motion to adjourn the debate, but I need a seconder. The Member for Thompson (Mr. Ashton), can he second it, Mr. Speaker?

**Mr. Speaker:** It has been moved by the Honourable Member for Broadway (Mr. Santos), seconded by the Honourable Member for Thompson (Mr. Ashton) that debate be adjourned. Agreed? Agreed.

## BILL 24—THE ENVIRONMENT AMENDMENT ACT

**Mr. Speaker:** On the proposed motion of the Honourable Minister of Environment (Mr. Cummings), Bill 24, The Environment Amendment Act; Loi modifiant la Loi sur l'environnement, standing in the name of the Honourable Member for Broadway (Mr. Santos), who has 27 minutes remaining.

**Mr. Conrad Santos (Broadway):** I would like to continue the debate on Bill 24, The Environment Amendment Act. The Honourable Minister of Environment (Mr. Cummings) has stated in the House that it is the intention of the Government to provide the highest possible level of standards in environmental assessment processes. Such a high standard of assessment cannot be made possible without—

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please; order, please. Honourable Ministers will have ample opportunity to discuss this Bill. The Honourable Member for Broadway has the floor.

**Mr. Santos:** Thank you, Mr. Speaker. I have been saying that if it is truly the intention of the Government to come up with the highest legal standard in the matter of environmental assessment process, it is essential that such a legal standard of

providing the best possible assessment should be provided for in the provision of the Bill itself.

Any kind of expression of intent of legislators expressed in the House but not appearing in the explicit provision of the proposed legislation, while it may influence the interpretation of the law, will not be binding. Only what is found in the statute and the wording of the statute will hold water when tested in the course of law. Without legal standards written in, in the legislation itself, sometimes the arbitrary discretion of policy makers will run wild and without any guide. The standard must be provided right in the very statute that we are proposing to consider in this House.

Mr. Speaker, the environment is perhaps the most salient concern of all society today. The way we shall deal with this basic social issue will obviously be influenced by our attitudes in the past and the practices that have built upon such attitudes in our historical past.

We cannot change the way we behave unless we change our institutional arrangement and our attitudes, because it is these values behind those attitudes that determine how people act. We have been wasting and corrupting the environment in our historical past. Sometimes it needs some surgical and radical measure in order to change our practices.

An example of this is our indiscriminate use of pesticides. When we want a wonderful lawn in front of our house, we do not hesitate to buy expensive kinds of chemicals in order to make the grass green in our lawn. Yet we forget that, when the rain comes around, those chemicals will seep into the soil, will drain itself into the rivers, and then will ultimately spread itself out in our land. What if some of these chemicals passing through all of these rivulets and rivers ultimately end up in Shoal Lake where we get our drinking water? We are endangering not only our own personal health, but the health of our community; not only the health of our community, but the health of our children and our grandchildren.

Let me give an excellent example of our indifference to environmental pollution. This happened not in this part of the country, but in the eastern part of the country. When the Canadian National decided some time ago to transport 2,000 tonnes of potentially contaminated soil from an industrial site in Halifax 30 kilometres down to River Denys in Cape Breton Island, the residents of that

community were furious at the prospect of their drinking water being contaminated by the runoff from the contaminated soil that was transported from Halifax.

We do not have to transport soil in order to endanger and risk the source of our drinking water in Winnipeg. There have been stories in the paper about some people who are so inconsiderate and perhaps with malicious intent in their minds pouring some kind of chemical in the source of our drinking water. Water is a very important source of life. Without water I do not think life is ever possible on earth.

Someone has written this poem. I would like to put it on record: Pure water is the best of gifts that anyone can bring, but who am I to have the best of things? Let princes revel at the pump, let peers and pawns make free. Whiskey or wine or even beer is good enough for me.

In order to make whiskey or to make wine, you still need some water. Without pure, clean water, how can we enjoy the best in life?

Certainly everybody has a right to clean, fresh water. We do not appreciate that privilege that the Creator has given us until after it is too late. You do not realize the value of things until you have lost them, until there is no more time to recover and recoup what you have lost.

A medical doctor said to me that it is all right to drink water like a fish, but fish like to drink only one kind of water, clean, pure water. That is the reason why I have ice with me all the time. I drink water like a fish, but I like fresh, clean water -(interjection)- That is right. There is a saying in Latin, and the Honourable Member for Kildonan (Mr. Chomiak) is pointing, mens sana in corpore sano. A sound mind in a sound body.

Unless we have a clean, sound body, how can we have clean, sound minds? I am not an advocate of being—you know that running out there and jogging sometimes become very addictive. Some people get addicted to running. People run even if it is winter, even if it is bad for their health, because this is also an addiction. That is why we should be careful about the development of any kind of habit.

I am sometimes saddened by my habit of eating too much ice and I got so addicted to it, but there is nothing wrong with drinking as much water as you can as long as the water is clean. Like the radiator of a car, it pumps out and cleans your system.

-(interjection)- Ice cubes particularly, because no germs can live in a cold setting, in a cold environment.

\* (1210)

Therefore, we should be careful about the use of chemicals in our environment. Even if our lawn is not as green as it should be, we should not like a fool rush around and buy all those kinds of chemicals and pump them into our lawn. I have a lawn that is full of dandelions. My neighbour is complaining about the dandelions. -(interjection)-

Yes, exactly. The Honourable Member for Portage la Prairie (Mr. Connery) points out this is a very useful plant. Why are we pouring chemicals into this? Dandelions, mind you, if the leaves are young and fresh, you can pick them and make some kind of a salad. It is rich in vitamins. The roots, if you want to pick the roots of the dandelions, you want to dry the roots, clean it up, dry them, you can make tea out of dandelions. Why are we pouring and pumping chemicals in our lawns? These chemicals will now flow into the river and end up in our water system.

Sometimes the use of these dangerous chemicals is facilitated by our desire to make profits. There are corporations that state their claims in the use of chemicals. They advertise and they persuade the public. They create demand for this kind of chemical. Even Governments sometimes succumb to such machinations by these profit-seeking enterprises.

For example, the Government of Canada has approved the use of a killer called a tree and shrub killer. It is a chemical called 2-4D. This chemical gets rid of every living tree and every living plant across any right of way like a power line or road in any area of Canada from one end to the other.

Another chemical that is being approved and being used is what is known as fenitrothion and another called matcil. They are sprayed from airplanes. They are sprayed over the forest to kill the beetles in western Canada. In eastern Canada, they are sprayed also by airplanes in order to kill the spruce budworm and the hemlock looper, the balsam aphid as well. The trouble with these chemicals is they not only kill these insects, these chemicals also kill the bees. The bees are the ones that produce the honey that is a pure form of sugar and a good source of energy for human beings. These chemicals also kill the birds, and the birds are

the predators. They are the ones that are supposed to kill the insects in the natural order of things.

Because of man's intervention in the ecological system, we are making the worst of our earth.

**An Honourable Member:** Is this the birds and bees story, Conrad?

**Mr. Santos:** Birds and bees have their share of tales in our life, but I believe that we should protect the bees, because they are the source of honey.

What happens when we meddle with the natural ecological system? What happens? Let me show you an example. To get rid of the balsam aphid in eastern Canada, they introduced naturally controlled shrews. The shrews ate the aphids. The trouble is that the shrews multiplied so fast, they had an overpopulation. The only way you can control the shrew is to get another kind of living thing that will eat up the shrew. What will eat up the shrew, but the snakes. Are we going now to introduce the snakes so they can eat the shrew? What about when the snakes multiply? What will happen? Then people will be in danger, and no political Party that introduced the snake will ever win an election. It is very dangerous to meddle with Mother Nature. Nature has its own system of control.

In our environment, another resource that needs protection is the forest. Forestry is perhaps one of the major sources of export in this country. The biggest resource industry in Canada is forestry. It contributes about 20 percent of the world's need for forest products. Yet you will be amazed at how we dispose of our paper products. The newspapers that you see around the Legislature, for example, they are scattered all over. They are thrown in the wastebaskets. This is a resource that could be used and re-used again.

I have the habit of picking up envelopes that have been used and then cutting out the address of the envelopes and using them as files. I put all the papers in there and use them as files instead of just throwing them around because I want to make use of this resource as much as possible without wasting it. Sometimes I become too conservative at conservation and I get criticized for this, but I believe in certain things. I want to conserve and preserve our resources.

What do we do as Government with respect to our Crown lands that contain all the forests? We have consigned most of the Crown lands in this country, in Canada, to private logging groups and industries.

Large tracts of forestry lands are being handed over by the Government to private management.

Indeed, much of the territorial area in Canada, many times over the entire territorial area of England, has been handed over to private logging companies. Almost all of the productive Canadian northern resources and forestries are now locked up in the form of 20-year leases available for logging extractions. We become a slave to too much overdevelopment, and we forget the negative impact on our ecological environment.

Like other resources of this country, the forestry extraction industry needs some protection. In the same way that we protect the environment from our mineral extraction industries, from the extraction of hydro-electric power, environmental concerns have to be protected.

There should be more public discussion and public hearings with respect to the long-term effect of all these activities. We cut too many trees. We waste too much output from forestry products. We do it too fast. It becomes detrimental to the regeneration of the new crops of trees, and we also contribute toward the warming up of this global environment.

Like the cutting up of the forest trees in Brazil, Canada has been guilty as well in contributing to the global warming, endangering the very planet, the only planet that we have in this world.

Mr. Speaker, environmental concern is a very important issue of Government, of all future Governments, of all present Governments, including this Government.

Therefore, this Bill, this legislation, Bill 24, The Environment Amendment Act, has been introduced in such a hasty manner that we lack more time to study the possible implications and the effect of this legislation as a very important issue and concern of our society.

Only fools rush in where angels fear to tread. When you rush into things, and you do not understand all the consequences, then that is a bad, unwise kind of policy making. We cannot afford to engage in such kinds of policy making where everything is in haste. Everything is in confusion. You do not understand all the consequences. Even if people have good intentions, they can introduce good legislation in the way they think at the present framework of their mind and, yet, they do not

understand some unintended consequences that may happen because of the measures.

\* (1220)

**An Honourable Member:** Make sure the Minister is getting this, Conrad.

**Mr. Santos:** The Minister of Environment (Mr. Cummings) should be aware of this.

We need more time in order to understand all of the implications, all the consequences of anything that we do. It is only time that will teach us the consequences, wanted and unwanted, decided and undecided, in whatever piece of legislation that we introduce in this House.

It takes more time in order that we may be able to do what we want to do, more time than a week, more time than a few days to consider and understand all the implications of such a very significant piece of legislation. Let us therefore do it right. Let us postpone the consideration of this amendment to the next Session when we have all the time to study and indeed understand all the implications of this legislation.

In this world, the only thing you will just run out of in anything that you do is time. Everybody understands that. Everybody experiences that in their life. Somehow somebody seems to be stealing our time when we want to do something that we want to do. You always run out of time. Therefore, there is a need for planning, and the more you plan ahead, the more you structure what you want to do, what is important. You set your priority, your choice, your alternatives and you study all the consequences of those alternatives both favourable and unfavourable. The more time you have to plan, the more time the result you anticipate will come about.

If we do things in a hurry, if we rush things in order to do certain things just to be able to achieve something without understanding it and time is not on our side, obviously the consequences are disastrous, especially in an issue which is very important, like environment.

**Mr. Speaker,** if we rush this legislation too fast, too quick, then we deprive ourselves of the essential time period that we need in order to study in a most intensive way the consequences that will come about. I do not believe that it is wise for this Government to rush any piece of legislation into completion without adequate time to study the full impact and consequences of such a piece of legislation.

You study, but you cannot study problems to death. It has been the habit of Government to study problems, study with consultants and hire consultants left and right. They always continuously study and never really solve the problem. They do not deal with the problem. Those people who are in need of Governmental resources, the ultimate users of those resources, never get them because all the resources are exhausted by having consultants. People who will study and survey things never deal with the problem itself.

In terms of legislation, in terms of decision making, in terms of policy making, all those who are in a position of authority to formulate policy, if they want to formulate good policy, must plan. That is why we have the Speech from the Throne. We plan the legislation ahead of time. We say ahead of time and give some structure, some kind of an outline of the program of Government that we intend to do.

Yet we sometimes depart from such planned program of activity, as good Government must do. Because of certain other considerations, we alter and change the plans; and, if we do so without any kind of time allowing ourselves to study its full implications, then we are indeed creating and formulating bad policies for our country and for our province.

**Mr. Speaker,** time is the most important resource that anyone can have. If we deprive ourselves consciously, deliberately of our time simply because we want to achieve things in a hurry, then we will not be able to achieve what we want to achieve. Sometimes it is essential that we take some polls and look at what we have been trying to do.

There is a story about a young man who complained about life itself, that he was given to too much activity and, therefore, was not able to obtain some kind of a peace with himself. So the good priest advised the young man, why do you not bring in an earthen vessel with turbid water? He took some water in a shallow pool, put it in a vessel, and brought it to the priest. Then the priest advised the young man, let the water remain still for a while, and he did—

**Mr. Speaker:** Order, please. The Honourable Member's time has expired.

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Does the Honourable Member have leave? Leave, till 12:30.

**Mr. Santos:** Mr. Speaker, I just want to complete

the story because it will not look nice in the Hansard if the story ended without any conclusion.

Let it remain in the vessel for a while, said the monk. So the water remained in the vessel for a while, and then the water became clear. So you see, said the priest, your life has been like turbid water. The more activities you perform, the more restless your mind becomes, the less opportunity you have

for peace, but if you give yourself to solid meditation for a while, your heart will become clean, your heart will become pure like pure and clean water. Thank you, Mr. Speaker.

**Mr. Speaker:** The hour being 12:30, this House is now adjourned and stands adjourned until 1:30 p.m. Monday.

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Friday, December 7, 1990

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