

THE LEGISLATIVE ASSEMBLY OF MANITOBA
10:00 o'clock, Thursday, June 5, 1975

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Corrections.

MINISTERIAL STATEMENT

HON. J. R. (BUD) BOYCE (Minister for Corrections and Rehabilitation)(Winnipeg Centre): Mr. Speaker, we would announce that the Minister of Public Works has been requested to call tenders on a new facility and a correctional program for the Province of Manitoba in the City of Brandon, and I would inform members that a model of this facility will be available for them to view and to discuss with senior staff what is intended to do with the facility, and how it will be programmed, in Room 254 at 1:30.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I'd like to acknowledge the statement of the Minister of Corrections and tell him that this is an announcement that we've been looking for for some time; that I appreciate the fact that he has kept me abreast of the developments in this connection, and we are anxiously awaiting the opportunity to look at the model of the structure and we trust that the tenders will proceed and that the construction will be able to be commenced during the current building season.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; Questions. The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. SIDNEY SPIVAK, Q. C. (Leader of the Opposition) (River Heights): Mr. Speaker, my question is to the First Minister. I believe the Gimli Chamber of Commerce has written him, and the letter's been published in the paper, and I have a copy of it, in connection with the Gimli Industrial Park. I wonder if he is in a position to acknowledge that he's received such a letter, or a request for certain information, and whether he's replied?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, if it relates to the Gimli Industrial Park I would assume that a copy of that letter has been forwarded to the Minister of Public Works and he may be in a position to indicate.

MR. SPEAKER: The Honourable Minister of Public Works.

HON. RUSSELL DOERN (Minister of Public Works) (Elmwood): Mr. Speaker, the letter was referred to me by the Premier and our department is working on a reply, we're simply gathering information requested.

MR. SPIVAK: Another question then to the Minister of Public Works. I wonder if he can indicate whether the government is now exploring alternative forms of industrial development for Saunders Aircraft and Misawa.

MR. DOERN: No, Mr. Speaker.

MR. SPIVAK: Is the Minister of Public Works in the position to indicate whether there is a planned expansion of the Canadian National Engine Training School at the Air Force Base?

MR. DOERN: Mr. Speaker, we've had some very interesting discussions with the CNR and there's no doubt that there will be a major expansion and I think one of national significance.

MR. SPIVAK: I wonder if the Minister is in a position to indicate whether that expansion could absorb part of the employees that would lose their jobs if Misawa and Saunders were to close?

MR. SPEAKER: Order please. The question is hypothetical. Orders of the Day. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. The other day the Minister of Northern Affairs replied in connection with questions dealing with the Southern Indian Lake construction camp. I wonder though procedurally whether he could tell me whether it is not automatic when a report is produced departmentally, indicating a possibility of malfeasance, that it would be forwarded to the Provincial Auditor for his review and inspection?

MR. SPEAKER: The Honourable First Minister.

ORAL QUESTIONS

MR. SCHREYER: Yes, Mr. Speaker, particularly if there is any prima facie evidence to indicate that there has been or is likely to have been malfeasance. But when a document merely allows of the theoretical possibility that there may, or that there might be malfeasance, then that is a different case. I mean one could easily assert that there could theoretically be malfeasance in any operation whatsoever, public or private, and I regret very much that somehow the impression has already been allowed to generate momentum that there was malfeasance. It is purely theoretical. The matter has been specifically referred to the deputy and to the Minister and Deputy of the Department. They had it under consideration in any case, and I believe they took the initiative in sending in a departmental officer to do some field checks, but to this point in time there's no prima facie evidence that's been brought to my attention to indicate that there is anything specifically amiss.

MR. SPIVAK: Well, Mr. Speaker, to the First Minister. With all due respect, is not the Provincial Auditor the one to determine, once allegations have been made and once an Auditor's Report . . . within a department, suggests such a thing as malfeasance.

MR. SCHREYER: Yes, Mr. Speaker, if allegations have been made of a responsible nature or a responsible source. The vaguest of the insinuation however does not constitute allegations in the normally understood sense of the word.

MR. SPIVAK: Will the First Minister acknowledge the report that was published was a report that was forwarded to Management Committee of Cabinet?

MR. SCHREYER: I can't acknowledge that, Mr. Speaker, although I am not in a position to deny that that was so. It may well have been referred to Management Committee but the document that I am aware of, sir, does not refer to any specific malfeasance but rather to the possibility of it. But, sir, that could be insinuated with respect to any operation, including certain hotels in this city. It's a bunch of nonsense.

MR. SPIVAK: Mr. Speaker, to the First Minister. The report that was published is in fact a report of the Auditor . . .

MR. SPEAKER: Question please?

MR. SPIVAK: . . . in which allegations . . .

MR. SPEAKER: Question please?

MR. SPIVAK: Yes. Well did Mr. Ireland make a report at the request of the Deputy Minister, or was that a report given to the Deputy Minister asking for a further investigation?

MR. SCHREYER: Mr. Speaker, I understood from the Minister that the analysis was made at the behest of the department, and I assume that means either the Minister or the Deputy ultimately, and that they are in possession of that report. They interpret the report, obviously in a way quite different from the Honourable the Leader of the Opposition. I merely indicated that if there is any tangible indication of prima facie evidence to indicate that there is indeed malfeasance, or a likelihood of it as opposed to a theoretical possibility of it, that it should be specifically referred to the Provincial Auditor in the event that he may not already be seized of it so that a systematic investigation can take place.

MR. SPIVAK: I wonder if the First Minister can indicate whether he's read the report.

MR. SCHREYER: Mr. Speaker, I read the document that was kindly forwarded to me by the Leader of the Opposition. That's the only document that I have read in this context and the rest has been a matter of conversation with the Minister.

MR. SPIVAK: Then I wonder if the First Minister can indicate whether it's the position of the government that that report did not in fact make certain statements as a result of investigation alleging theft and giveaway.

MR. SCHREYER: Mr. Speaker, it is my interpretation, and that of the Ministers, that there is nothing to indicate specific indication of malfeasance. There is reference to a possibility of malfeasance taking place because of the lack of certain on-site controls, administrative and accounting controls, but certainly I resent very much the inference that has been drawn and aired already, broadcast that there was indeed malfeasance. The two are really quite separate and distinct.

MR. SPIVAK: . . . question to the Minister of Northern Affairs. I wonder if he can indicate whether the auditors within his department who audit local government districts, and who audit other matters in which Northern Affairs are involved, have ever brought to his attention matters which required further investigation and should in fact have been placed in the hands of the Provincial Auditor?

ORAL QUESTIONS

MR. SPEAKER: The Honourable Minister.

HON. RONALD McBRYDE (Minister of Northern Affairs) (The Pas): Matters that required further investigation were brought forward and further investigation was done, Mr. Speaker.

MR. SPIVAK: Is the Minister of Northern Affairs in a position to indicate that there have been matters referred to by his department to the Provincial Auditor?

MR. McBRYDE: Mr. Speaker, we have asked the assistance of the Provincial Auditor in a number of matters that are not of the type that the member for the Opposition keeps wanting to have investigations of.

MR. SPIVAK: I wonder if the Minister of Northern Affairs can indicate the exact amount of the public subsidy given to the Southern Indian Lake Construction Camp.

MR. McBRYDE: Mr. Speaker, if the member had been here, or read my answer that I gave to his question in his absence the other day, he would know that I said that the final audit will be done in July and at that time the amount of subsidy of that operation will be fully known. Contrary to his comments and news reports the amount of operational loss at the time of the internal audit was about \$75,000. That'll be quite a bit less when the final audit is done. We anticipate but we have no final figures until July when the final audit is completed.

MR. SPIVAK: Mr. Speaker, my question is to the Attorney-General. I wonder if he can indicate whether the RCMP have completed their report with respect to Schmidt Cartage?

MR. SPEAKER: The Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): No, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'd like to direct a question to the Minister of Agriculture, and I'd just like to ask the Minister whether there might be a chance of an epidemic of grasshoppers this coming summer?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, as the member knows we've had one in part of the province every year for the last three years, and we anticipate the continuation of that cycle this year, yes.

MR. McKELLAR: Mr. Speaker, is there certain chemicals in the province to look after it in case there is an epidemic of grasshoppers this coming summer?

MR. USKIW: Well, Mr. Speaker, the department intervened about three years ago in the supply of chemicals for municipalities and for farmers because it was found that there were insufficient supplies then which were then supplied by the private sector. Since that time the department has guessed fairly accurately every year in the amount of stock that they should have on hand, and I would anticipate that their guess for this year is accurate as well. But only time will tell, Mr. Speaker.

MR. McKELLAR: Another question, Mr. Speaker. Who do the municipalities contact if there's an epidemic in any particular municipality? Who do they contact in your department?

MR. USKIW: Well if they want to make a direct contact it would be with our Entomologist, Mr. Smith, but I believe the arrangements are that they would deal through their local agriculture offices who would then contact the central office.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to indicate to the honourable members we have guests in the gallery of 24 students Grade 7 to 8 standing of the Scott Batemen Junior High School. These students are under the direction of Miss Bennett. This school is located in the constituency of the Honourable Member for The Pas, the Minister for Northern Affairs.

On behalf of all the honourable members I welcome you here this morning.

Orders of the Day. The Honourable Minister of Labour.

ORDERS OF THE DAY - GOVERNMENT BILLS - SECOND READING

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, I wonder if we would go into the Adjourned Debates on Second Reading. I note that the first bill is Bill 29, The Payment of Wages, being held by the Honourable Member for Fort Garry. Possibly we could pass that for the time being. Hopefully he may be able to participate this morning. And then, sir, I would suggest on Page 2 commencing at the top of the page and call the debates in order.

BILL NO. 41 - MONEYS FOR CAPITAL PURPOSES OF M. T. S.

MR. SPEAKER: Bill No. 41. Proposed by the Honourable Minister of Consumer Affairs. The Honourable Minister will be closing debate.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne): Mr. Speaker, this bill which members of the Opposition have considered not to be worthy of support is one really that is intended to strengthen the Manitoba economy. It is particularly intended to extend into rural areas of the province and northern areas of the province the kinds of sophisticated computer equipment that just is not available in the small communities to the business people that are operating there. It is my hope, and certainly the advice I have received that the Telephone System by furnishing the technology and the technicians that they already have employed, that the Telephone System will be able to provide at reasonable cost computer services to those businesses that need it. Therefore I think that the bill just for that point alone is worthy of support, and I hope to elaborate on this further as I answer the various questions that members opposite pose.

The second major reason that the bill is worthy of support is that much of the computer service that is provided, to Winnipeg-based firms in particular, is now done in Southern Ontario. As has been the history of the west when there is sophisticated technology developed it often tends to be located in Eastern Canada and Manitobans often have to go there to get the service that they require. I hope that as this utility develops that we will be able to repatriate to this province some of the jobs and some of the technology that is now servicing Manitoba industry but is located at the computer centres of Southern Ontario.

Those are two reasons, and a third reason that the bill should be worthy of support is that I hope that a computer utility located within the Manitoba Telephone System will provide greater opportunities for the graduates of our technical colleges and our universities. And these opportunities I think should be available here if the computer industry is to service Manitobans rather than available in the east. The Member for Fort Rouge in particular, as he is an academic, must recognize that it has been the history of western universities to virtually graduate people for jobs in Eastern Canada, and anything we can do in this province to reverse that tendency I think should be done.

Mr. Speaker, the question was asked by members opposite why the Manitoba Telephone System should be the agency to operate this computer utility? I can think of a number of reasons why it should be the agency to develop a computer utility within the province. First of all of course, the Manitoba Telephone System is now in the business of maintaining various computer terminals throughout the province that now exist, and it is an existing organization, and because it is an existing organization there are the administrative abilities and the technical abilities available to develop the new utility in the form that it should be developed.

There are a number of other reasons, too. One can say that telecommunications and computers go naturally together, they do use a similar technology, and as larger computer networks develop across cities and between cities we are experiencing an increasing interdependence of computers on telecommunication.

Mr. Speaker, MTS is already extensively involved in providing computer communications with such services as data line, data route and data path. Those are three kinds of computer services, computer related services that MTS is now involved in. This interrelationship between telecommunications and computers is recognized in other business operations. For example CP Telecommunications, which is a competitor of the Manitoba Telephone System in the data communications field, has a data processing subsidiary. It is called Computer Sciences. Computer sciences is effectively used to competitive advantage. Similarly, computer companies such as IBM are making inroads into the telecommunications field. The New Brunswick Telephone Company has a computer processing subsidiary. In brief, Mr. Speaker, if MTS is to remain the dominant supplier of telecommunications in Manitoba, it is essential that they expand into the area of data processing to meet the competition. And I would hope that just because MTS is a government owned Crown Corporation, a public utility, that it should not be handicapped in meeting the competition that is being provided it by other firms such as CN-CP Telecommunications.

There is yet another reason, Mr. Speaker, which is of great significance to Manitobans, and in particular to those who reside outside the Winnipeg area, the availability of moderately priced data processing services is becoming an increasingly significant factor in the competitive advantages of businesses. In general data processing is not readily available outside the

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(MR. TURNBULL cont'd) Winnipeg area at a reasonable cost. This has resulted from the reluctance of computer suppliers to establish installation and maintenance personnel in the less lucrative markets outside Winnipeg.

In addition computer data processing derives it's economy from large volume processing, which is a rare requirement outside the Winnipeg area. However by grouping the data processing requirements of several towns over telephone lines and processing the data on a central computer, such economies can be achieved and passed on to smaller businesses in the province. The past performance of the Telephone System in bringing telecommunication services to most Manitobans at a reasonable cost, and their present technical skills in province-wide maintenance organization, makes them a natural choice for this undertaking.

Mr. Speaker, the question was put on this bill to the effect that the Government of Manitoba should advertise computer processing work for bids rather than going into business at this time, into the computer business at this time. Mr. Speaker, the Manitoba Government has been in the computer business for a long time. Hydro has computers, Manitoba Telephone System has a computer, the Liquor Control Commission has a computer, and the Government Computer Centre itself has a large scale computer. So to say that we shouldn't go into the business at this time is erroneous. We are in the business, and the idea of a computer utility is to rationalize acquisition of computer equipment at various times, and also to a certain extent to rationalize staff and to provide a more efficient operation.

To suggest that the government not get into the computer utility business at this time simply ignores this fact that we are already in the business. It is a proven condition that it is more economical to replace several computers with one computer capable of doing the processing of the computers it replaces. And it can also be shown that with the volume of computer processing in the Provincial Government it is more economical to process on the government's own computer than to let the business out to private service bureaus.

Mr. Speaker, I would think it would be ironic and hardly the kind of point that the Opposition would want to make to suggest that we in Manitoba let government computer business out to bid by private contractors and then find that that computer business is being processed in Eastern Canada. That is precisely the kind of development that I hope we can avoid by the establishment of this computer utility.

Some members opposite have expressed the need and their concern for safeguarding government data, and yet at the same time they have suggested that we have government data processed on private business computers over which we would have very little or almost no control. Mr. Speaker, those two points just can't go hand in hand. I would much rather trust the civil servants to security computers and . . . data that is fed into them than to have that data sent out to private businesses located perhaps not even in Manitoba. The government recognizes its responsibilities to the citizens of Manitoba and it will safeguard the privacy of its data.

Another question raised by members opposite was to the effect that the Committee on the Government Productivity to the Province of Ontario related its studies to the acquisition of computer services. I wasn't too clear what point the Member for Fort Rouge was referring to when he alluded to this Government Productivity Committee in that Province of Ontario. I think, though, that what he is doing there was quoting from the Toronto Globe and Mail, and was referring to the recommendations that were made to the effect that competition for government business be encouraged between government and commercial computer centres. It's my information that that report in Ontario also recommended that a computer services agency be established to manage all computer facilities in the Ontario Government.

Mr. Speaker, these recommendations made in Ontario were made by a team of Ontario civil servants with a great assist from consultants from the private sector. Those consultants would stand to benefit substantially if the Ontario computer business was let out to tender in the private sector. I would find that if we were to follow that kind of procedure in Manitoba, that it would not be in the interest of the people of this province.

I might also point out, to elaborate on this point, that these recommendations in Ontario were implemented by the Ontario Government centralizing all its computer operations into three computer centres under the control of the Ministry of Government Services. They established not one computer centre there in Ontario, but three. Each one of those Ontario computer centres was to have at least an IBM 370 Model 168. These are large computers. Additionally,

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(MR. TURNBULL cont'd) the Ontario Centralized Data Centre was to have first right of refusal for any computer processing in the Government of Ontario. That, I don't think, is competing with the private sector.

I want to deal also with another question raised by the Member for Fort Rouge. He indicated that large computers had a greater overhead cost than, I gather, medium size or small size computers. No one, of course, can argue with the logic of that statement. The larger the machine, presumably, the larger the overhead that it will entail. But to say that they have a large overhead is really, I think, confusing. But of one thing we can be certain; if you were to add up all the overheads associated with the computers in the Manitoba Government, their total overheads, Mr. Speaker - I'm talking here of course of the computer in the Telephone System, the one in the Hydro, the one in the Government Computer Centre itself, the one in the Liquor Control Commission - if you were to add up all the overheads for space, heat, lighting, electric power, air conditioning, operation staff, the overhead for all those separate facilities would be greater than the overhead of one computer large enough to replace all of them, and the result of that logic, Mr. Speaker, should be cost savings.

The Member for La Verendrye, and others, also asked a question as to whether or not the Legislature cannot rationalize the cost of using computers. Here again the point made was, I thought, not overly clear, but I can reply that the Government Computer Centre has always charged for its services, and the purchase of any service by a government department is based on the value of that service to the department. Mr. Speaker, this rationale for the use of computers will be extended to all government agencies through the creation of the computer utility, which will charge for all its services to its users. In addition, the members will be able to scrutinize departmental expenditures on computer usage through the Public Accounts Committee, or indeed, I would think, through the estimates review in this House.

Perhaps I should describe what happens now, so that members can be clear in their own mind as to what control, what review, what scrutiny they will have of this operation. Each department's expense for computer time now appears in each department's estimates. It's not broken out as a separate line, but that information can be obtained by a thorough questioning by members of the Opposition. Those payments are made to the Computer Centre. The Computer Centre operation, of course, like the Queen's Printer, operates on the basis of a nil vote, and the Computer Centre now functions in such a way as to charge off the expenses that it incurs to the various line departments. That type of operation in general will not alter very substantially. Members will still have the opportunity, once this computer utility is established, to get the information as to the amount of money each department has expended on computer time, and they can do that during the estimates review, and presumably in Public Accounts, and they can also and will also have the opportunity of scrutinizing the annual reports of the computer utility in the Public Utilities Committee of the Legislature. So the members of the Legislature will have as much available information to them, once this utility is in operation, as they now have. And I think that they need not fear any covering or any hiding of the expenses or operations of this utility any more than may now be the case because they don't feel that they have the information to ask questions that can get them the information that they want.

Mr. Speaker, there will be a provision, as I say, for the Manitoba Telephone System to report on the computer utility operation to the Public Utilities Committee of the Legislature, but I did not say whether or not there would be two separate reports, one for the computer utility and one for the Telephone System, and frankly, Mr. Speaker, that has not yet been decided upon. So I can say, Mr. Speaker, that in effect there will be no hidden costs of centralization. That seemed to be a concern of the Member for Fort Rouge. Centralization will not hide costs of operation. The cost of operation will be as available to members as they now are.

In addition to that, in addition to the scrutiny that will continue to be available to members of the Legislature, it is intended to guard against transfer of revenues from the computer utility to the telephone operation in general, and vice versa. And the way I intend to accomplish that is to have a separate set of books maintained by the computer utility, and these books will be available to the Public Utilities Board so that the board can review the operations of the computer utility to ensure itself that funds have not been transferred from one operation to the other.

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(MR. TURNBULL cont'd)

Mr. Speaker, the Member for St. James made some reference to the soft wear component starting to build up as a result of spiralling staff growth. He did hold himself out as a sort of an expert on computers, citing that he had worked or sold computer equipment at one stage of his career. He then referred to "soft wear" as being people, which may have been a slip of the tongue, because it's not necessarily just people, but also certain types of equipment. He's concerned, then, with the spiralling of staff growth - I think I have to deal with. The nature of the service that is proposed for the new computer utility to be operated by MTS will largely relate to the provision of computer processing power to the users through terminals located in the user's premises. The Crown corporations will continue to retain their programming staffs as at present and, rather than operate an in-house computer, many of the existing computer operators will operate a terminal, which in turn will connect to the MTS computer. Because of this fact, a far greater proportion of the staff involved in computer processing activities will continue to reside in the Crown agencies and departments of the government in relation to the number of people required to operate the computer utility.

The utility will possess a relatively small programming capability to provide developmental services to those users either incapable or unwilling to engage their own staffs, specialized staffs. This work will, however, be undertaken for these users on a contractual basis, and consequently the growth in staff will be directly related to the demand for services and governed by this fact.

Mr. Speaker, the question that I found rather intriguing by the Member for Pembina was the one relating to what will happen to existing Crown Corporation computers and other computers. Well, I have good news for him. Most of the computers that the various agencies operate are rented from the computer company. Manitoba Hydro, I am informed, rents its IBM 37158, the Liquor Control Commission rents its Univac 9060, and the government computer centre rents a 37145. The government computer centre also owns one 37158 - that's a fairly large machine - and it will be continued in operation, and the Telephone System owns an IBM 36050, and that will be, presumably, dealt with as the process of centralization advances --(Interjection)--

MR. SPEAKER: The Honourable Member for Pembina.

MR. TURNBULL: Mr. Speaker, I'm sorry, but I do have a great deal of data that I want to give to members, and I would rather wait until I am finished because I don't think I'll have time as it is.

MR. SPEAKER: The Honourable Minister.

MR. TURNBULL: Mr. Speaker, the Member for Fort Rouge, whose questions I really wanted to deal with suggested that existing equipment that may be phased out would be expensive and that upgrading would be cheaper. Well, Mr. Speaker, that is a question that one has to rely upon experts to obtain an answer, and they informed me that there is no advantage to be gained from upgrading existing computers in the Crown corporation since they are already large enough to accommodate the current workload of these agencies. The advantage of centralization, of course, is to provide these users with less costly computer services than at present rather than more capacity. The very point of centralization and the reasons that it is attractive is the fact that a number of agencies can share a common computer facility at less cost individually than the cost to operate their separate self-contained computer services. This results from the fact that there is a pronounced economy of scale to computers; the larger the computer, the smaller the incremental cost per unit of computing available. And I might point out here, Mr. Speaker, that as the Member for Fort Rouge knows, any computer facility is required to have a controlled environment, and a very secure environment, and that kind of centre or that kind of building that provides both security and some kind of regulated environment, is very costly. If you can put that environment into one place and put the computers in it, presumably again, you have some cost saving.

Mr. Speaker, there were questions from both the Member for La Verendrye and the Member for Fort Rouge dealing with the consequences of a strike in the computer utility affecting the operations of user agencies. Mr. Speaker, the possibility of disruption because of labour trouble is always with us; certainly the problem, I don't think, will be any greater under the new operation than now exists. The consequences of any withdrawal of service will have an adverse effect on the computer utility but it's anticipated that the management of the

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(MR. TURNBULL cont'd) business will be able to maintain continued operation of the computers.

I don't think that the questions raised by the Member for Fort Rouge with regard to privacy are ones that should be ignored; I have to thank him really for raising what has to be one of the most salient issues when dealing with computers. Many of the other points raised by members I think are perhaps less significant than this whole question of privacy. It is one of, and should be, one of the issues, one of the major issues, almost a moral issue, when we're talking about the invasion of privacy and a person's right to privacy, that members of this House should spend time discussing. Whether or not privacy though should be written in to a Telephone System Act amendment of course is a question of judgment. I don't think it should be there. Whether we should have a privacy act as a companion bill to this amendment, which would be designed to control access, or to protect privacy insofar as that relates only to government computers, I don't think that would be a very feasible approach either. But certainly this question of privacy has been under consideration. It is one that again crosses provincial jurisdictional boundaries. The problems that we face within the province of course are that many companies put personal data, data relating to individuals, on computers which are located not only out of the province in this country, but out of the province in other countries. And I think that the protection of privacy of individuals relative to that kind of operation is perhaps even more significant than the protection of privacy related to the kinds of data that the Government Computer Centre may have on its tapes.

For example, the new operation that is envisaged here will deal primarily with the kind of government information that doesn't really relate to people insofar as their private lines are concerned. What information is envisaged here is data relating to accounting, moneys paid out, that kind of thing. The new operation explicitly excludes the health facilities of the province, which of course contain a great deal of information relative to private individuals, that aspect will not be in this utility, and also of course that information relating to a person's educational background at the post-secondary level again will not be involved in this operation.

In general, I don't think that centralization really alters the privacy aspects that we're talking about here. Centralization in fact may well allow better security of the data, and better security of the computer than a number of decentralized computer operations. Centralization I don't think is at all a factor relative to privacy. The problem is broader than that, it relates to computer use, computer use everywhere, and whether or not computer operations in any organization are centralized or not does not increase or decrease the threat to privacy. Right now each of the buildings that contains a computer has to maintain a certain level of security. I think that it makes sense to have one large facility in which security can be even tighter.

The question of authorized access to the information is one that the Member for Fort Rouge will have to clarify for me. Like all members, I'm operating without the benefit of Hansard and going on press reports in the Tribune. The Member for Fort Rouge seems to have two rather contradictory concerns. On the one hand he was worried, that individuals or people would have access to information, and that the government would have control of that information; and on the other hand he seemed to be concerned that the government would not allow access to that information, and I couldn't get clear from his remarks, or from the press statement, whether he wanted absolutely no access to the information except by very select people within the government service, or whether in fact he wanted anybody who made a legitimate claim to have access to that information. I can tell him at the moment that there is a process within the Government Computer Centre that is intended to avoid cross indexing of various files. In other words, people in various governments that put information on computer, they have access to the information that they were responsible for putting on the computer; they do not have the right of access to information put on by some other agency of the government, unless that agency gives its clearance. He might clarify that point for me so that we can deal with it in committee.

Mr. Speaker, there were questions I think from the Member for Roblin related to the size that the computer utility would achieve. That question is not easily answered off the cuff because the kind of computer service that is provided, the size of the utility providing that service will of course be governed by the demands for the service, so that standing here today I cannot predict for him just how large the computer utility will become. That will depend on the demands on it, both within the government service and in time outside the government

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(MR. TURNBULL cont'd) service. As that demand rises I assume the size of the computer utility itself will expand. I should stress here though that initially the computer utility will be large enough to accommodate the workload of the agencies that are being centralized. The members opposite should realize that what is envisaged here in the short run is merely a reorganization, a centralization of existing ongoing computer facilities. The other question that the Member for Roblin raised related, as far as I could ascertain, to CN-CP scaling down its computer operation in Manitoba. And I can elicit neither a nod in affirmative, nor negative nod from the Member for Roblin, so I'll have to proceed on the assumption that that was indeed what he was talking about, a scaling down of computer operations of CN-CP, in Manitoba. I have to assume then that he was in fact making reference to Computer Science of Canada Limited. This company, as I mentioned earlier, is a wholly owned subsidiary of CP and does have a computer terminal in Winnipeg connected to its major computer centre in both Toronto and Calgary. The Winnipeg operation was established several years ago, and I understand did have a period of scaled down operation. It is also my understanding now that this company is doing an increasing volume of business in Manitoba and has a number of high speed computer terminals in Winnipeg.

The fact that a considerable volume of computer service that is offered in Winnipeg is provided through computer centres located in southern Ontario and other regions of Canada, is one of the reasons for the establishment of the computer utility under MTS. By so doing some of this work now going out of Manitoba will be repatriated, and the Member for Roblin will remember that when I opened my remarks, I said there are several major overriding reasons for engaging, for starting this computer utility, and repatriation of computer work now done out of the province was one of those major reasons. Significance being, Mr. Speaker, the establishment of this utility is anticipated to provide additional Manitoba jobs for the graduates of our colleges and universities.

He also asked a question related to the private industry and whether they had met with me. I can say that members of the computer industry have met with me on different occasions. I can also say that when he asks me whether or not I have contracts in my pockets, I have to say that it would be presumptuous of me to be signing up contracts for computer services before the Legislature has approved the bill which would authorize me to get into this particular business. Therefore, the answer to that question is that I do not have such contracts in my pockets. However I have to remind him that the initial emphasis of the business is to provide for the centralization of existing government computer operations. Nevertheless, Mr. Speaker, there has been considerable interest shown on the street amongst people who are involved in the use or provision of computer services in this new utility.

Mr. Speaker, I think I have dealt with most of the questions raised by members opposite. The Member for Lakeside should know that I am not going to dicker with him about the passage of this bill vis-a-vis the establishment of a pay phone in Woodlands Motor Hotel, but the pay phone situation that he raised with me a night ago, one night ago, is certainly being investigated with . . .

A MEMBER: Thank you.

MR. TURNBULL: . . . rapid despatch and regardless of the outcome of that investigation and the service that may be provided there, I hope that he can see fit, as he does once in a while, to support this government's measure. Because it will in fact provide, as I say, a level of service to rural and northern areas that is not now available to them, and it will hopefully develop in Manitoba a centre of expertise, a centre of technology that will be beneficial to this province. I might point out, sir, that in the fall of 1973 at a Federal-Provincial conference of Ministers of Communications, the Manitoba delegation and a delegation from the Maritimes did extract from the Minister of Communications a promise that the Federal Government would examine favourably, and hopefully come to the conclusion that Federal Government computer operations should be decentralized throughout this country. It was evident from a report that was compiled within my department that the Federal Government computer operations were more centralized in Eastern Canada than were the computer operations of the private sector. Mr. Speaker, I found that situation almost unbelievable, that the Federal Government, talking as it often does about decentralization and about enhancing the regions of the country, would in fact have more of its computer operations centralized in Eastern Canada than the private sector. So, as a result of this study and work done in the Maritime Provinces, we did get

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(MR. TURNBULL cont'd) what I thought was a beneficial consideration of the possibility of the Federal Government decentralizing its computer operations throughout the country.

Mr. Speaker, very little has happened as a result of that undertaking. We have not seen in Manitoba the decentralization of major computer operations of the Federal Government. There has been a promise of something relating to taxation; that is one operation of the Federal Government. And what the Federal Government is involved in, of course, is computer operations related to every phase of its operation, including Air Canada, and that computer facility is located down there too. And I don't think that the recent announcement of the Federal Government to locate computers relative to taxation in Winnipeg will do very much to change the historic development of centralized federal computer operations in Eastern Canada. So this bill to allow the Manitoba Telephone System to become engaged in computer operations will, I hope, provide the nucleus of, as I say, a technical centre in this province, and will attract to it people of high skill and also will attract to it perhaps, hopefully, people who are related to the computer service industry, and perhaps through the passage of this bill we will be able to establish in this province a high level of expertise and excellence in this expanding field of technology.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): I'd like to ask a question, Mr. Speaker. I'd like to ask the Honourable Minister: he says we rent these computer machines for the Hydro and for the Liquor Commission now, and that we just have to cancel them. Would there not be a cancellation charge? Are we not tied in on some of these contracts on these computers?

MR. TURNBULL: Mr. Speaker, the Member for Pembina should not expect that the passage of the bill will result in immediate changes in everything, everywhere, at the same time. There may be and likely are various provisions for the termination of the contracts on these leased machines, and I would expect that the contracts will be terminated in the way that is most beneficial to the computer utility. Now I don't think that the administrators of the Telephone System are going to undertake greater expenses in this regard than they might otherwise have to.

MR. HENDERSON: I've another question. You stated the main purposes for reorganization and centralization. Could the government have not done this without a bill if they had not been planning on going into taking over the work from the private sector too? Because you have in your bill that you expect to expand and do work for the private sector.

MR. TURNBULL: Mr. Speaker, there is no question that, once the computer utility has developed into a service for the government sector itself, that it will move into the private sector. That is one of the major purposes and, as I said in my remarks, we do hope to bring back to this province computer work that is now done outside of the province, and to me that is a desirable end result of this bill.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): I wonder, Mr. Speaker, if the Minister would permit one more short question. I wonder if he could provide us with a study, or give us some indication of the study that was done on the existing computer facilities within the province that have time available now, that might have been able to handle the work that he claims is being done in southern Ontario. Has a study been done on that?

MR. TURNBULL: Mr. Speaker, I assume that he is referring to government computers that have time available.

MR. BLAKE: . . . computers owned in the private sector right now. I wonder to what market study was done. Has he some idea of how much time is available on computer facilities that are owned by the private sector in the province at this time?

MR. TURNBULL: Mr. Speaker, that information I had attempted to obtain, but clearly, if computer operation is operating its computer at 50 percent capacity, it isn't overly happy, as I understand it, to tell everybody and sundry that that's the level of its utilization. So that kind of information I have not been able to obtain.

QUESTION put, MOTION declared carried.

MR. HENDERSON: Ayes and Nays, please.

MR. SPEAKER: Call in the members.

INTRODUCTION OF GUESTS

MR. SPEAKER: While we're waiting, let me introduce some guests we have in the gallery. We have some 20 wives of Bristol Distributing Company from Fargo, North Dakota, United States. We welcome you.

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MR. SPEAKER: Order please. The Motion before the House is Bill No. 41, proposed by the Honourable Minister of Consumer Affairs.

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

YEAS

| | | |
|---------|--------------|------------|
| Messrs. | Adam | Johannson |
| | Barrow | McBryde |
| | Bostrom | Malinowski |
| | Boyce | Miller |
| | Cherniack | Osland |
| | Derewianchuk | Paulley |
| | Dillen | Pawley |
| | Doern | Schreyer |
| | Evans | Toupin |
| | Gottfried | Turnbull |
| | Hanuschak | Uskiw |
| | Jenkins | Walding |

NAYS

| | | |
|---------|----------------------------|----------|
| Messrs. | Axworthy | McGill |
| | Banman | McGregor |
| | Bilton | McKellar |
| | Blake | McKenzie |
| | Enns | Minaker |
| | Ferguson | Patrick |
| | Graham | Sherman |
| | Henderson | Spivak |
| | Johnston, (Sturgeon Creek) | |

CLERK: Yeas 24. Nays 17.

MR. SPEAKER: In my opinion the Yeas have it. I declare the motion carried.

BILL NO. 44 - THE PLANNING ACT

MR. SPEAKER: Bill No. 44. The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Mr. Speaker, I adjourned this for the Honourable Member for Sturgeon Creek.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. Bill 44, Mr. Speaker, is a bill that has far-reaching implications for all of rural Manitoba except the northern parts, and Mr. Speaker, I fully realize that the Minister and his staff, or people within his department, have been at many meetings through Manitoba regarding this bill - and I am reading from the Minister's summary of the bill. He refers to the meetings of the urban municipalities of Manitoba, municipalities at a meeting in Brandon, he refers to meetings with the additional zone, and he refers also to his meetings . . . with explanations at the Manitoba Chamber.

It is interesting, Mr. Speaker, that all of the time the Minister in his summary is talking about the meetings that were held, he is speaking of the concepts of planning in Manitoba. Mr. Speaker, the concept of planning in Manitoba is something that this side of the House agrees with very much. I have had my own discussions with the Minister regarding planning. I have had reports on many of the meetings that were held. I was at the previous urban meeting when they discussed this particular planning bill, and referred it to their executive for comment. But unfortunately, we have a very bad situation at the present time.

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(MR. F. JOHNSTON cont'd)

We have had the bill for three weeks, Mr. Speaker, but the bill has been presented at a time when most of the rural councillors are presently on the land, so to speak, getting in their crops. Our contacts with the rural people regarding this bill are much more extensive than the other parties', and I'm not trying to be sarcastic about that. We have many more rural members who have been home on weekends and in contact with many of the rural municipalities, and we're finding that most of the men have had very little time to study this bill. They haven't probably had a council meeting to discuss it because the councils only meet once a month in many cases.

Mr. Speaker - and I again compliment the Minister on his staff for discussing the concepts of the bill and I know that his discussions were received favourably in most areas, but, Mr. Speaker, now we have a bill with clauses, and I think it's only reasonable - and I don't think that the people in the rural areas are being unreasonable when they say they would like to study the clauses of the bill, because the concept of this bill, Mr. Speaker, is that planning will be done in the local area by the local people, and that there will be a member . . . If they go for having a planning district, each council or municipality that is in that district will appoint a person to that board that's an elected member to be the board on that district. So they're elected members from that district.

Quite frankly, Mr. Speaker, I do not see the economy for that district, as may have been explained, in the concept of this planning. There is a definite control over that district by the board which is set up by the province. There is a definite control by the Minister and there's a definite control by Lieutenant-Governor-in-Council. In other words, Mr. Speaker - and hopefully it wouldn't happen - they can be overruled at the district board very easily. As a matter of fact, Mr. Speaker, if the application is made to go into a district, the Municipal Board can - can - change the boundaries. Say five districts come together and the Municipal Board could say, well it should be four, or it may be three. Why, why should that have to be the decision of the Municipal Board if you're saying to the local municipalities that you are autonomous, you are going to run your own destiny?

Mr. Speaker, this bill was commented on by the Member for St. Johns, rather surprising comments. I do not have the Hansard for the Thursday that he spoke on the Urban Bill, but I do have the Hansard when he spoke on the Planning Bill and, if my memory serves me correctly, the Member for St. Johns, when he was speaking on the Urban Bill, was commenting on the value of the community committees and advisory committees - advisory people. When he spoke on Bill 44, after the Member for Fort Rouge spoke saying there was not that much participation by people within the community, the Member for St. Johns - and I believe I'm right - didn't really believe that the people in the community should have that much participation because decisions had to be made. So we have a mixup here from the Member for St. Johns regarding participation.

Mr. Speaker, the idea, the concept of planning, are in the areas of having a municipality . . . have come together, and they could have their own planning commission, which would make out a plan for the municipalities that came together, submit it to the Provincial Government for approval regarding land use - and land use is a very important thing, Mr. Speaker - and after it's approved, be administered . . . be administered mainly by the council of those municipalities. You may say we might not get as many things done but at least we will have participation more within the local areas running their own destinies. I'm not saying that that plan I'm talking about is perfect but I think it could be worked on.

Mr. Speaker, probably I make some comments about different members from time to time, and I have made the odd comment about the member from Fort Rouge but he is a professional in planning. There is no question about that. My experience in planning of new districts, and what have you, as an alderman in St. James-Assiniboia was in Brooklands, and I can tell you, sir, that if you are going to go into planning a new district, or making plans and changes, the way this bill suggests the changes will be made, or the changes that this bill will make, I can assure you that unless you have meetings with the people in the districts, explaining what is happening and answering their questions - I'm not saying they're going to make the decisions for you - but answering their questions regarding what you are doing, you are only going to start a shooting war in rural Manitoba. But I can assure you that that was the basis, and I'm sure the member for Fort Rouge will back me up on this, because that was

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(MR. F. JOHNSTON cont'd) the basis of urban renewal in Canada, was to talk to the people in the areas being affected, and it was a two and a half year process in Brooklands. Now, Mr. Speaker, there is not enough provision for plans to be presented to the people that are affected in this bill.

Mr. Speaker, this bill, as I say, does have some resemblance to a concept of planning, but no resemblance to the concept that I see as was explained to me previously, participation or by autonomy. The control is in the hands of the Minister, the Municipal Board, and it's in the hands of the provincial board that is set up. Mr. Speaker, could you visualize a group of people coming in after a board was set up in an area and they worked with the provincial group of planners, and if the provincial group of planners say, "No, we don't really like this what you've done," and they say, "Well that's what we want," the Minister would have to make the decision. I don't think the Minister wants to make those decisions, and I don't blame him. I would hope that they can get together ahead of time and come in with one they all agree with.

But really, the local board is in this position, you know, if we don't do it the way it's suggested by the Provincial Government, or the top people in the provincial planning, we just might not get our plan through. You could have a position where an area board is administering a plan that they weren't in favour of to begin with, and maybe the people are not in favour of because there was no meetings held with the people. Mr. Speaker, could you visualize the board made up of five municipalities, and you have five from each municipality on it, and four of them decide that the garbage dump's going to be in your area? Do you really think that that's going to create a good situation? Are you going to say that in some areas when we say the housing development is going to go there, and we are going to get all the benefit of the tax from those housing developments, and you're not going to have any at all?

Now I know these decisions have to be made, Mr. Speaker, but they cannot be made as fast as this bill says it can be made. This bill basically says that the planning in rural Manitoba stops right now, and I read it that way until you have a plan. And I know, Mr. Speaker, there are areas in Winnipeg or Manitoba that are crucial at the present time waiting for planning. And I know that the problems that are sitting in front of us at the present time are problems that should be solved. But, Mr. Speaker, I can't agree that Bill 44 should go through just to solve two little problems, or four or five problems around the larger urban areas. I think we can probably work on those otherwise because this bill is the planning destiny of Manitoba. When it goes through to solve those problems, it goes through for the whole of this province and quite frankly the principle, the principle behind this bill is provincial control as far as I'm concerned.

Now I know I've talked to the Minister about these things, and I respect his opinions, and I think he has some respect for mine, but, Mr. Speaker, we are building up--(Interjection)-- Well, maybe. But, Mr. Speaker, we have now got to go to the council the Director, the Minister, the Minister to the Municipal Board, and then we can end up after that with the Lieutenant-Governor-in-Council. We're not cutting down the red tape. We're not cutting down the red tape one bit. This bill is designed to set up a very large, if you want to call it, bureaucracy. Mr. Speaker, this bill says that the district board, when set up can hire a treasurer, or secretary-treasurer, and all those people that would be involved or used to administrate this plan. Mr. Speaker, I fully realize that I could find that same section in the Metro Bill, that people were allowed to set up . . . and I believe that in Metro Winnipeg that that's the way it had to be, but can you imagine in the rural areas a district planning board with their own offices, their own secretary and secretary-treasurer, their own planners, their own staffs, everything to go with it, with basically control over the land in those five areas, you know, which is a tremendous amount of the administration of those areas.

Mr. Speaker, that is a step towards something that we're not looking for. They can set their own salaries, hire staff; the Minister is going to have to supply them with part of the money on a grant basis or it'll be on an assessment basis; it could be either one, I guess, it's not that clearly defined. You know, we're not looking for . . . we want a concept of planning but we're not looking for ways to set up a very large big bureaucracy in rural Manitoba at more cost. We're looking at, we're trying to get a planning concept that is for rural Manitoba, and I repeat again, we believe in it, and I believe that there will be times when we will have to get a little tough to make sure we get it going but not this principle.

Mr. Speaker, I know that the members on the other side and the Minister will, and his

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(MR. F. JOHNSTON cont'd) staff, will jump right out of their chairs, when I say this is a step to regional government, and there's no question about it. The only way that this bill could possibly make sense or could operate, the only way you could operate it efficiently without battles between people, would be regional government. When people don't agree the Minister is then in the position to make the decision, and that then becomes not even regional government, becomes control by province. The rural areas of Manitoba are not ready for regional government in any way, shape or form. No way whatsoever. They are ready for a concept in planning but not a plan which is a step to regional government.

Mr. Speaker, if the member had been listening I gave him a couple. Maybe he'll speak on this bill. Mr. Speaker, I would say without any doubt, because of Bill 48 that was presented to this house on regional health districts, that this ties in with this Bill 44, planning which means probably some office that is set up by the Planning District and everything operating out of that area. I was maybe a little bit doubtful in my mind as to where the government was moving on this until I saw that brother or sister bill, or whatever I would call it. Mr. Speaker, I have to say that the areas that we're speaking of on principle of this bill, if I, as a member of the Conservative Party, were to say that I am not completely in favour of a regional type government with small areas around governing themselves, electing members to the main council, was opposed to that concept, or working on that concept, I would have to say that what I have said about the City of Winnipeg is wrong, because I believe the City of Winnipeg should have six cities within a regional government, if we're going to get back to any sense. But in rural Manitoba, rural Manitoba and placing this concept, which I believe will lead to regional government, without more consultation with the municipalities is not going to happen, and I know the Minister says he has had consultation.

The members of the rural councils, as I said, have a right to at least read this bill and discuss it within their councils, and I think that the immediate problems can be solved. Hopefully they can, otherwise you shouldn't have tied them . . . you can't tie the two together. You can't ask for Bill 44 to solve some problems right now. You might have brought it in a lot earlier and we might have solved it. And that is a very definite criticism I have of the Minister regarding this.

So, Mr. Speaker, our Party does believe in the concept of planning. Our Member from Morris has made it very clear that we believe in land use. We cannot take good productive land with the food producing land out of circulation. There is no question that we have to have those protections, and when we have we will be admired by other provinces. But the principle of control over the destinies of these areas is there; it is not a bill that gives them their own freedom. So we really can't go along with this particular bill at the present time. We would strongly suggest, Mr. Speaker, as we have before, that this bill could pass in second reading on the basis that it's referred to the Municipal Committee, not to die but to be worked on. Nobody wants the planning concept for Manitoba to die on the Order Paper or be forgotten, but to be worked on to make it a better bill and have the opportunity to talk to more of the rural councillors and people within the rural area.

Mr. Speaker, I don't stand here making these statements just because I want to tear the government apart.--(Interjection)--Well, that's the usual comment. That's the usual laughter we get from over there. But, Mr. Speaker, I stand here making comments on this bill because of the feedback we've had through our rural members. I wonder if the Member from The Pas or from Flin Flon have talked to their council about it.--(Interjection)--Well, they liked the concept, I will tell you right now that that's what they will say. They liked the concept. But the clauses within this bill, if they've gone over it with them one by one, or gradually, as we have with some people, there are many things to be doubtful about. Many things to be doubtful about. And I think that they should be studied to make it a better bill, giving the people of rural Manitoba more control, or more say so, in the planning of their area.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Thank you, Mr. Speaker. I just have a few points to make on this bill. I know that the Minister of Municipal Affairs is perhaps the most reasonable Minister in this House, and his past experience has, you know, to some extent has proven that any legislation that he introduced - and I'm referring to the Municipal Bill that we had before this House a few years ago where he did take the time, and we did have hearings, not only in parts of the rural area but we had it in most northern communities, and as a result

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(MR. PATRICK cont'd) I think we ended up with a pretty good bill and everybody had an input into it. The committee heard representations from many many people. In some places there were great concerns, we have had as many people as 400 in some communities, and I give the Minister credit for proceeding on that type of a course when we're dealing with something that really does affect the local people, affects many people who are concerned. In this case I again say to the Minister the legislation is required and necessary for the proper land use, and this is something that's needed and nobody will argue with him that we shouldn't proceed in some form of land use legislation.

Now I did have an opportunity to talk to some of the councillors just recently who had just had an opportunity to look at the bill and they are very concerned, and in fact I believe they had a meeting last night, or yesterday afternoon, and I don't know what was the result of that meeting but they were looking at it in a very serious way, and they were quite concerned. From the point of bringing the bill in and having some legislation in respect to land use, I think it's great, it's overdue. On the other hand, I don't believe that the bill is very complete. In some respects it's almost scary, Mr. Speaker, to some of the people that have talked to me, so I'd say the point is that we're establishing a new level of government, or a new level of government in decision making because it will be difficult for the local residents, Mr. Speaker, at times to reach the planning experts, or to meet the planning officials. Even now when the private citizens are trying to take part in the planning for their own region, I think will have to deal with either the politicians or the planners which will be from outside their own area, and that's the way that the Act is interpreted to many of them, and it's the way I interpret the Act to some extent. Because the local area, the local people in municipalities have not the experts, so what we will have is the planning department will be somewhere established in the government offices, which will become a bureaucracy, and this is where the planning will be done and the local people will have very . . . You know, the Minister maybe would like to see that not happen, but that will happen, and in fact that's what's in the bill.--(Interjection)-- But there's no change. As far as the bill, the bill is quite specific. There will be a planning authority established, and where is the expertise if it's not being centralized in the City of Winnipeg in one place. So what participation would the local citizens have? So what we'll have, and this is a great danger, Mr. Speaker, I think it is a danger that the planning will be from the top down, from the top down. I'm sure that we've learned from experience that this is not a good situation to have, that, you know, we have the planning from the top down, and in my opinion that we've learned from experiences in the United States what's happened there, as a matter of planning, the housing authorities where they've built units worth \$5 and \$6 million of 2,000 units, 3,000 units, huge conglomerates in a matter of four or five years. In seven years they had to tear the whole thing down, bulldoze them down, because their planning was concentrated and done from the top down instead of dealing with the people, having some input from the citizens themselves.

So in my estimation, and I'm inclined to believe that this is what really is almost precisely in this bill, that the planning will be done from the top down. The bill indicates that legislation will set up districts but boards and politicians will be responsible for setting up those districts. Now I hope the Minister doesn't misconstrue my remarks. These are the danger points that I'm pointing out. I'm for a Planning Act of land use legislation. We must have it. I'm sure that every municipal elected person has told the Minister the same thing when you met with him. But when they see the mechanics and what will happen, they're frightened. I don't think that I can add much more than the Member for Fort Rouge when he spoke and took full time, I believe 40 minutes when he spoke on the bill, and pointed out in every area of what can happen and what perhaps would happen because we haven't got the safety valves and guards built in this legislation or in this bill.

So again I'm concerned when the bill indicates that legislation will be set up, or will set up districts, and boards and politicians will be responsible, which will be done from here. The development plan will be drawn up by the Provincial Planner, it's stated in the bill, Mr. Speaker, by the Provincial Planner. Now I wondered if there'll be any consultations. The other thing, Mr. Speaker, again it doesn't provide in the legislation that there will be public hearings, that the citizens will have some participation in it, and I think it's another frightening thing, and I think that they should have some input right from the beginning, not after the development plans are drawn up, and not everything is fait accompli. The people

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(MR. PATRICK cont'd) should have some input at the start.

Now I again want to repeat, because sometimes I know the Minister of Labour, even if I repeat it five times he doesn't hear. The other day I made statements, and I repeated four times, and I said, "Look I'm not saying that the Minister should interfere." He got up and said, "Well the member said I should interfere." Well I say, that's what I told him. So I'm saying to the Minister now, again, and I want to repeat that legislation is needed for proper land use. Nobody argues in this House, at least I haven't heard anyone say that it's not needed. I think it's needed, it's required. And as I said, you did a good job, the Minister did a good job in our municipal legislation that we had before the House here four years or five years ago. Why not proceed on the same course? I believe if the Minister had received and won any admiration from this House, and from anybody, he did at that time four years ago when he proceeded to change, and make the changes in the municipal legislation. So why not proceed in the same course now. I know for sure that all the municipal people will ask you and say, "Look, we agree with the requirement of legislation, please give us a month or two months so we can have some hearings on this," and you'll probably prove your legislation, and they'll have much more respect for the Minister and the legislative process. So I think that we can proceed on that basis because the Minister knows, he says the Act's been there since 1916 or 1911, so if we wait four months or six more months, I don't think that much will happen.

So I think that the legislation, in my opinion, what it does at the present time is provide assistance to the government departments, to the government departments, but no assistance is offered or made in the bill, or provisions, to affected citizens, and it's nowhere in the bill, you know, that the citizens that will be affected will have any kind of recourse or before the plans come into effect. It doesn't say so, it doesn't say with the public participation, so I see there's no provisions to discuss development plans in public. And I think it's a very serious matter. You find no provisions in the bill to discuss development plans in public, and I think this is what we're talking about. Let's discuss the development plans in public, the area that it concerns before, you know, the people at the top draw up the plans and say this is what it's going to be.

So I think that we should have some provisions in the bill, or that's what we should do, let's have provisions to discuss development plans. Because it appears to me all decisions will be made in private, Mr. Speaker, and I'm sure the Minister knows that it's not good legislation; all we do is antagonize some people. If we take a few more months then perhaps we will have good legislation, what's needed, required, perhaps overdue.

The other point, if you have two municipalities that wish to form a district, you have two adjacent municipalities that are against forming a district, what happens? The government can move in, the government can move in and proceed, it has the power to proceed with the development plan that they wish to have in that area, without regard to the citizens. Okay, then where does the citizen stand, Mr. Speaker? And he's the one that will be affected. That's in the Act. You have, you know, two municipalities want to form a district, the other two don't, and it says the government can still proceed in that area where there's disagreements. Is that not planning from the top? In my opinion it is, Mr. Speaker. So I am concerned, very much concerned, and I think that the citizens have a right to be concerned, and I know for sure that the Minister will receive, if he hasn't, because I believe some of the municipalities were meeting yesterday afternoon in respect to this bill, and I'm sure he'll receive communications to, you know, to come before the Law Amendments Committee and have two speakers in half an hour, or two hours, I don't think that will solve or answer the questions that are being asked by many of the people. I know that in our group, we've indicated, we've said, "Look, we need a bill for proper land use," but I think that the Minister can do himself a lot of good if he can proceed on the basis that he proceeded with on one other piece of legislation and, as I said, not only gain respect from people outside the House but in the House the way he proceeded. I think that he can proceed in the same course and show some leadership on his side of the House, in his government, to do it on the basis that will be of assistance to the people, to the citizens, and who will have a lot of respect, and say, well look, we've got time, this is what we have to do, but at the present time, they say, look we met with quite a few municipal people and they said, look, we discussed it, we said that there was a requirement for land use legislation, but we didn't see the bills, we didn't know that's the bills that you know is going to have the powers that there is. And we didn't know that we the public will not have,

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(MR. PATRICK cont'd) or there will be no public hearings before the plan is declared in any district. I think there should be public hearings because I think the citizens should have an input before any development district is declared by the planners, and the planners will declare it from the top again, so I think it's not good enough. The development district, to me, of any development plan, will be in the hands of the government and politicians and, Mr. Speaker, it's just not good enough, it's not good enough. I think that nowhere in the bill, nowhere in the bill, did I see provisions to discuss development plans in public before they're declared a plan. I think maybe the Minister has that in mind, I don't know, but it's not in the bill, and this is what's frightening to many rural people.

Now I think that we should talk about compensation to a lot of people that will be affected, and I think that it's important why we need a land use plan and legislation. I think it's quite obvious what's happening not only in our province but happening in most provinces. If you take a look what's happening in parts of Ontario where you had the greatest fruit belt in the country which is today a concrete jungle for some 80 miles, or 65 miles, well that wouldn't have happened if there had been some land use legislation. You have the same situation developed in B.C., and what do you think's happening right here in Manitoba between Portage la Prairie and Winnipeg? You have the same situation in which is supposed to be the best agricultural, the best wheat land that you have in this province, the Portage Plains, the best there is, and still for the 50 miles between the perimeter and Portage, we're breaking up the best land we have, which is supposed to be the bread basket of not only Canada, but export of wheat that we do to the world, and most of it is produced in the three provinces. All of it is produced in the three provinces of Western Canada. And here, between Portage and Winnipeg, if we go at the rate we're going now, all that land will be broken down into 40 and 50 and 30 acres and 20 acres, and to people that live in larger centres, or to somebody like myself who maybe wants 30 acres of land that I can drive out and run around and maybe take my dog out there, and this is what's happening. So we're buying, and the price is irrelevant. You know, we can pay 500 or 1,000 because we're not buying in large parcels, we're just buying it for recreation, and some people perhaps want to buy a summer home, and the others want to buy a piece of land. They can plant a garden, plant trees, and this is a form of recreation, so they'll spend a 1,000 or 2,000 an acre and buy a small parcel.

Now the old highway, No. 1, which is 26, right now almost the whole way for 50 miles is being broken into small lots, small parcels. Well maybe if we're not concerned about sufficient land for agriculture then there's no problem with it, but I believe if we are concerned about keeping our good productive land in agriculture use, then we can see right now that it's almost overdue that we should have had some kind of land-use policy. Eventually that may turn into some market garden area, that area that I'm talking about between Portage, but I know there's a strong desire by many farmers in that area that they say it should stay in strictly farm use. So there is a problem, there is a problem and nobody argues that we don't need land use legislation.

But the other real inequity in this piece of legislation, Mr. Speaker - I know the Minister was just out - and I made reference to the land between here and Portage la Prairie that most of it is, not most but a great proportion of it is broken down in small parcels and people that live in the city that would like to own 20 acres or 30 acres of land and that's taking it out of agriculture production. You had the same thing happen in Ontario where you had some 80 miles of stretch which was the best food belt there was in the country, which is today a concrete jungle. So, the same thing in Ontario and B.C., so we know that there is a requirement for land use legislation. But I think that we have to be careful because it affects almost every person out in the rural community that owns the land will be affected by this legislation. So that I think that he must have an input, not after the plan is declared a District Development Plan. I think that there should be public hearings before that plan is declared and there is nowhere in the legislation that that would take place.

The point I wanted to get to - I'm not going to repeat everything for the Minister, he'll notice it in Hansard what I had to say - but the biggest inequity in this piece of legislation and in the bill is compensation. There's nothing, nothing in the way of compensation. You'll be taking by declaring a district, a development district anywhere in the province, you'll be taking equity away from one land owner, or one farmer, and giving an equity to another farmer. And what do you do? Will there be some hearings? Will he be compensated at all, or

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(MR. PATRICK cont'd) will he not be compensated? And I know that we had debates here ten years ago, long debates about expropriation, and I'm sure the Minister of Labour knows that. As a result of the debates and changes in the Expropriation Act, I think the citizens are treated fairly now. At one time they weren't, and I think it's not . . . I'd say if the Crown's going to expropriate land, I'd like to see them err on the high side because you're going to dislocate somebody, you're going to inconvenience somebody if you're going to push him out of his own area or out of his own property, then I think he should be . . . if it's a few dollars above than below, we'd sooner err on the above. So in this case I see nothing - when you take equity away from one person and give it to the other, that there will be some compensation. And in my opinion I think at the present it's completely inadequate as far as the bill is concerned. What happens if you declare a district as a Development District and somebody's land will increase in value, say, from 50,000 to 200,000, because it's not in agriculture use, it's not \$300, it's \$4,000, it's a development use, \$4,000 an acre. So you boost somebody's land value, say, by 200,000, and that farmer, although his land will still be in agriculture use, still in agriculture use but it's declared a Development District, within 12 months he's got to pay half of that. If his land increased in value, say, by 100,000, he's got to pay 50,000 to the municipality, even though it hasn't started development, even though he's still farming it, but the district has been declared, and the bill doesn't clarify that he, you know, until such time as you start developing his land, the developer will develop his land, whoever it is, or the municipality, but as long as that district declared his land that he's farming on, a Development District, now the value is increased four and five times. And if the value is increased he's got to pay half of that increased value to the municipality. I know the Minister will say it was in legislation before. Well that's true, and it was never used. But, you know, who's to say that it won't be, and I'm sure the municipalities will become aware of it and they'll use it very quickly, they need money. So he'll have to pay half of the increase of that value that he'll still be farming to the municipality.

There's another inequity. I understand that at the same time this person because of the new Capital Gains Tax, that same person, because his land increased in value, he's subject to Capital Gains Tax, again on 50 percent. So he may be forced not to pay only 50,000 to the municipality but he'll have to pay another 50,000 on the Capital Gains, and he's got no money in his hand. All it is is that the Development District declared and his land now is in such and such a district and it increased in value. So there's you know, quite a few complications that may develop or can develop as a result of the legislation. So all I'm saying to the Minister - you know, I give him credit for bringing forward legislation that will have some land use, that will have some effect on the land use, but there's so many things in it that aren't clear, compensation, you know, there's nothing. Public hearings before the planners declare a certain Development District, I think there should be public hearings. So there's many questions that are still unanswered, and I would say to the Minister, I hope that he really really gives strong consideration to say okay, there may be a session late in the fall, I don't know, or if not, there'll probably be one in February or January next year, so you're looking at six months from now, six months, and the bill can go to second reading, go to Municipal Affairs, and I think that as a result, you'd have much better legislation, and you'll have the support probably of everybody in this House. So I hope that the Minister will give real serious consideration to agreeing to what the members are saying. Let the bill go to second reading and he'll have the municipal committee look at it and let the people have the say. You know, let them exercise their rights.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, let me direct the attention of the honourable members to the gallery where we have eighteen students from the Mariapolis School of Grade 5 and 6 standing under the direction of Mrs. McLennan. This school is located in the constituency of the Honourable Member for Rock Lake. We welcome you this morning.

The Honourable Member for La Verendrye.

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MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. Being a rural member who has one local government district, three municipalities, and a village and a town in my constituency, the bill, of course, is of very immediate concern to the constituents that I represent.

I would at this time like to also add my voice to the several other comments made by speakers before me in that the municipalities, the councillors, have not had the time, I think, that was probably indicated they would have at the Brandon meeting. Several councillors have indicated to me that they anticipated that they would receive the bill and have a certain amount of time to study it. This has not happened. As mentioned by my colleague from Sturgeon Creek, we've had the bill for three weeks now, but most of the municipal people have been out seeding, or looking after other things whereby they make their livelihood, and they have not had a good chance to scrutinize this bill and I would, as I mentioned, add my support to the other speakers and ask the Minister to have the bill go into committee and have more representation, allow the people to make representation on this particular bill.

I think when we're talking about planning we should be identifying some of the problems which we are having in rural Manitoba, and I think one of the biggest problems we've had - and I know it's been a sort of a millstone around the Municipal Affairs branches neck, and I think around the Minister's neck - and that is one of the control of fringe areas and the urban sprawl that we're facing, and being on the Steinbach Town Council and being involved with a fight with the rural municipality with regard to annexation, I know the hassle that can be created. I don't know if the Minister - I've been checking through the bill very carefully, and I don't know if the bill will provide that type of sort of a smoothing over that is needed when something like that happens. We have the fight between the municipalities who say, "Our people are buying your goods and services in your town, therefore, we don't want to pay for the additional policing cost, the fire protection cost, the recreation cost," and we know all these costs are escalating. On the other hand, the urban municipalities are saying, "Listen, we're providing all these services for you rural people, we want you to kick in on some of the costs that are developing."

The problem I see with the bill the way it sits right now is that when we look at the membership on the board - and I think this is an important part and I don't know how the Minister would spell it out, either in regulation or somehow - but it says that every council is allowed to elect one member on the board. Now, take for example in my area, say that an arm of La Broquerie, Ste. Anne, Hanover, and the Town of Steinbach and the Village of Niverville will form one planning district. The arm of La Broquerie, which right now has no planning authority at all, has an assessment of about \$1 million; the Town of Steinbach has \$13 million. Now, the problem as I see it, and we've seen this problem with regard to school boards and everything, the municipality with the \$1 million assessment will have the same representation as the municipality with the \$13 million assessment. Now, when it comes to the developing of a sub-division or anything like that, I'm sure we don't have to go into more technicalities, you can see the problems that could be arising. The lobbying that could take place with the other municipalities saying, "Listen, I'll vote for that sub-division if you vote for my sub-division over here." The converse of that is I know you can't allow the larger urban centres to have many more members than the rural municipalities, because the converse of that is going to happen. And I think this is an area where I appreciate the Minister's trying to rectify a problem here, but every one of these councillors representing that local area has a parochial concern, and he is going to be looking after the concerns of his municipality, and none of those municipalities, as in the annexation problems that we've had, wants to give up a certain amount of tax space. It hurts. I think I don't have to dwell on that point very much longer because the Minister knows the problems that Brandon and Cornwallis had, and I related my own experience that I had in the small time that I was involved in council.

The other problem as I see it, is that at present all these local governments, the local municipal councils, do have and maintain a local planning board, usually comprised of one or two councillors and then four or six lay people which are designated from the community. In a larger municipality such as Hanover, we have people from the Grunthal area, we have people from the Blumenort area which, geographically, is quite far apart. Now, the way I see it is that when a councillor will be appointed by the local council to the board, what will happen, in order to maintain the interest and the input from the local people in that

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(MR. BANMAN cont'd) he will still have to maintain that local board to get direction from the people, what the people are talking about, and also to get representation, because I think the onus that'll be put on this one councillor - and I should say at this time I think the workload of this one councillor that is appointed to this board is going to be very heavy. I think you're going to have to find a person that has the time to spend on this because I know just, for instance, in the Town of Steinbach right now and in the arm of Hanover and different municipalities that are quite heavily involved in planning right now, the people sitting on the planning board are putting a fair amount of time in. Now, they will have to put in that equal amount of time, and then they are going to have to go to the meetings of the superboard and I refer to it as a "superboard", Mr. Speaker, because I think that it's sort of a second tier of government because you're inserting a tier there right now that wasn't there before. You're going to have to maintain it. As far as I can see it, you're going to have to maintain the local boards within the municipalities. They are then going to go with their ideas, their councillor will take their ideas to the superboard and the superboard will pass it on to the Minister or the governmental people.

The other question that I would have at this time is - and I can't read it out of the bill - would the district board set up, the conglomeration of the municipalities, would they be hiring the building inspectors? Would they be issuing building permits - and I understand that before permits can really be issued, there could be a possibility that they would have to go to this board - or will the local municipalities still maintain their building inspectors and their permits? Changes in zoning, I understand, are made then again on the local level by the municipal councillor, receive first and second reading, then a copy of that is sent to the board, who would then have another look at it, and I'm sort of confused here, Mr. Speaker, as to the exact responsibilities of this board. Now, if it's the intent of the board to take over all the planning, even within the local area, then my fears are the same as some of the other members expressed. You do away with the lay people that are presently on that board and you'll cause a breakdown in the input that the local people have, and as I mentioned, the workload on that particular councillor, I can see it being pretty big.

The other question I would have is what happens in the interim, in the transition period, when we're going from the one Planning Act into the new one? We all realize that the time it takes to have sub-divisions passed, the lag time is quite considerable because of the different government agencies that we have to go through, and it's not just the problem of the Planning Board. You've got to get your okay from Hydro, Telephone, and you've got to go the whole route. Now, my concern is, will there be an additional increase in the lag time when we're switching over from the one Planning Act to the other? I speak from personal experience here, we're experiencing this problem in my constituency right now, the lack of service lots because of the lag time on sub-divisions, on the planning of sub-divisions, has increased the price of lots, in Steinbach, for instance, considerably. It's a supply and demand thing, and I know the town has gone ahead and they have a major expansion program right now, but it'll be another year or two before those lots come onstream. But this is one problem that I can see arising at the present time.

So, Mr. Speaker, with these few comments, and I have several more, but I dwell on these few at this time, I question some of the workability of the Act, and I would ask the Minister - and this is the response I've got from my people is that they want a little time, they want a little time to look at it, to sit down with their local Planning Board - I just had a call from one of the fellows sitting on the Planning Board. He's not an elected official; he's a member. He called me yesterday, he says, "I haven't seen the bill, I wonder if you could mail me a copy." I says, "I'll send you out the Act, but the way it looks, we're going to be through here in two weeks and that'll be it." Well, he says, "Boy, I'd sure like to check it out before something happens." So I would urge the Minister to have a look at this and give the municipalities some time to make representation on different sections and thereby possibly straightening out some of the problems that I see in the bill right now.

The other thing that concerns us - and I know the Minister is touchy on this particular issue, and I would be too if I was in his boots because I know the feeling of the municipal people when it comes to regional government, and I think he would have done well if he would have brought in this bill and told the Minister of Health to hang onto his. Because you've got two bills in here now, one regional planning, one regional hospital board, and I think that the

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(MR. BANMAN cont'd) fear of a lot of people is that it's a natural flow just to move right into regional government. And it's unfortunate, I think, that that particular thing has happened here right now because I think it sort of strengthens the fears of many people in rural Manitoba that like it or not, finally, they're going to be gobbled up and there's going to be one central authority doing everything, and with the institution of the regional planning, the regional hospital concept, the regional health care facilities that we have at present in the different development corporations, I think this is something that is going to be of the utmost importance in the next little while, and that is the fear that the municipal councillors do have that we are moving into a regional government set-up and that the bigness of it will lose local autonomy, and also lose control of the purse strings that we control right now. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): I beg to move, seconded by the Honourable Member for Minnedosa, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: Bill No. 47. (Stand). Bill No. 48. The Member for Morris is absent. The Honourable Attorney-General.

MR. PAWLEY: I would think we'd go into - and I would move, seconded by the Honourable Minister of Urban Affairs, that Mr. Speaker do now leave the Chair and the House resolve itself into committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried, and the House resolved itself into a Committee of Supply, with the Honourable Member for St. Vital in the Chair.

COMMITTEE OF SUPPLY - DEPARTMENT OF LABOUR

MR. CHAIRMAN: Order please. I direct the attention of honourable members to Page 33 in their Estimates Book, Resolution 74 (a) - The Honourable Member for Gladstone.

MR. FERGUSON: Thank you, Mr. Chairman. As a rural member and representing a constituency that is comprised of people that mostly are involved in third party positions when we come to this business of strikes and labour concentration, we find that we have a Minister who at the moment is showing signs of frustration to do with the labour unions. He has been one of the main pushers and being for the union movement, and being an old trade unionist, I can understand his thoughts and his beliefs and the fact that at one time I think the working people definitely were placed in an unfair position. I think another member of the Legislature, the Member from Flin Flon, feels much along the same lines. He is becoming a little frustrated and wondering just where this militant approach that unions seem to feel they have to use now is going to stop. We find that as farmers and as small businessmen that we are continually confronted by the fact that we're unable to get parts, we're unable to rely on delivery of our products, processing of our products, and we feel that some approach has got to be started somewhere along the line to use something besides the strike method to settle our disputes. Arbitration seems to be about in the same boat as any other form of negotiation. I think that if we're priding ourselves in being a society that is supposedly advancing our beliefs and our thoughts, that we certainly should start at some level to bring about some different method of settling our strikes. I don't know what they can be. I would expect possibly that profit sharing might be one way of doing it, someone that has some direct involvement in it, and I don't think that in many cases the companies would be this hung up on the fact either, because we're not going to be able to operate most of our economy. The Member from Crescentwood used to stand up and preach 32-hour weeks. Well, there's no way that I feel we've advanced to the state yet whereby we can work 32 hours a week and run this country. And the Member for Thompson, you know, in a speech I think the early part of this session, said that, if things just didn't go their way that it was going to be too bad, you know, all hell was going to break loose, and this sort of thing. Well, you know, I would say, Mr. Chairman, that we as primary producers may start a little of this action on our own part. I don't think that we're going to put up too much longer with having our main ports at Vancouver operating 45 clear days out of 365. We're not going to put up with the fact that where there's strikes and a picket line set up that all kinds of parts will be sitting there for a \$40,000 tractor, these will not be delivered, no one will cross the picket lines. Consequently if you're looking at anywhere from two to six weeks on direct factory orders, I would think that it should be becoming abundantly clear to most of the people involved in our unions, that if we are not going to deliver a product . . . and I

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(MR. FERGUSON cont'd) think that the estimate over the period of the last year through non-delivery of products through Vancouver and the Quebec ports or the Great Lake ports, is running anywhere from between \$200 million and \$400 million. We find that we have missed the peak of the market. We find that we're overloaded with . . . we're going to be in a surplus position. With a crop coming in - we're facing the fact that the Americans are predicting a bumper crop - and consequently I think that the only thing that we would be facing next year would be the fact that whether we could afford it or not, we should cut back our operations. We're in a position now that over the past two years our input has risen possibly 100 percent and there just would be no way that we could carry on, and we would be foolish to attempt to produce a crop that is possibly in a surplus position now.

I think, Mr. Chairman, that's pretty well all I have to say at the time, but I would like to impress on the Minister if possible that we have to start somewhere in a different set-up with our labour unions, and possibly we can get away from this confrontation in strikes, and possibly getting back to the point where if we have a product that someone will deliver it. We just are not in a position in this country to afford the labour strikes and the wage settlements that we've experienced in the last year. Thank you.

MR. CHAIRMAN: The Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Well, Mr. Chairman, I'd just like to dwell a few moments on the comments that have been raised by the Honourable Member from Gladstone, whereby I think in the last year or two years, it's quite evident now that neither management nor labour, nor the public, have been winning from the results of the right to strike. And I think it's a very unhappy thing for us in Canada to have to see our name now second on the list of the countries of the world for the lost man-hours per day due to problems of the management and labour, that we're not able to agree, and as a result Canada's record today stands second in the world for lost man-hours. And that's not very good in my books, and I don't think it's acceptable to the public today, so I would like to speak with the Minister in the committee and see if there isn't some way that we can approach this problem from another avenue. Alvin Hamilton has certain views on this subject matter that I've analyzed carefully, and it's one I think that is worth recognition and the Member for Gladstone just raised it very briefly.

But in this whole problem of the right to strike and in arbitration and in conciliation, it's becoming more and more evident to me and the man in the street that the public are the ones that are the losers. I think certainly that management finds an agreement that's acceptable to them, and labour finds them acceptable . . . so there's a walkout for awhile, but in the end the public are the ones that are the big losers. I come from a constituency whose economic base is hinged around agriculture and that sector in my constituency are the ones that are suffering untold losses of millions and millions of dollars today through reasons that the Member for Gladstone raised and others. But it's basically to get our agriculture products on the world market.

I listened the other day to a Japanese delegation explaining on the program over there where they provide the children with two meals a day in their schools in Japan. That program has had to be scrapped because they can no longer get delivery of the Canadian grain. It was an honour and a privilege for the children of Japan, I understand, to be able to serve them two meals of Canadian agriculture products every day. I believe it was noon and in the afternoon. But that market has been lost, and no longer is Canada providing that food to the children in Japan. We've also lost one of the largest markets in the world which is China's market due to the conflicts and problems we've had in the ports at the West Coast. And it seems to me, Mr. Chairman, due to those reasons and the others that we are now slowly but surely pricing ourselves out of business in the world market place.

Our export items today in this province and in Canada are being too expensive for the underdeveloped countries of this world. They can't afford the cost of these products that we are placing on the world market for export. And certainly maybe some of the more developed countries of the world possibly can afford the high prices that we're asking for our products today. So in the end I suggest to the Honourable Minister and to the members of the committee that likely if we can't find an answer to this problem, Canada is going to isolate itself from the markets of the world because of the prices that we're asking for our goods, unless we can find a solution to that problem. There may be some other vehicle that the Minister has got or the government, or some other studies, or some other solution to the disputes that are

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(MR. McKENZIE cont'd) continually before us every day.

I don't know, the postal strike is a classic example. My gosh, you know, the postal system at one time in our country was considered to be one of the best in the world. It certainly can't meet that standard today. I don't know, Mr. Chairman, such a strike as a postal strike, it interferes with my rights, it interferes with yours, Mr. Chairman, your right to go and purchase a stamp and put it on a letter and expect that letter to be delivered at a certain time in a certain place. Now either I have the right, or the public has the right, to buy that stamp and put it on the letter and be assured by this - in this case it's the government . . .

MR. CHAIRMAN: Order please. I would remind the honourable member that the postal service does not come under the responsibility of the Minister of Labour. The Honourable Member from Roblin.

MR. McKENZIE: I will recognize that, Mr. Chairman, and members of the committee, but I'm trying to relate the problem to the Minister to see if we can't, the members of the committee, come up with some answer to it, otherwise that concept is a whole dream, the one that I just raised.

The same applies to the dock workers at the West Coast, who are causing the problems for the farmer people that are members of this Legislature and the farmers of this province. And while you may not consider it an essential service, I think that it is, and I think that in the end result, unless we can find some way to solve it, then we're going to not only totally cripple the agriculture sector of this province, but we're going to cripple the total agriculture concept of all Manitobans and Western Canada, and we'll destroy and lose those markets which have been ours and which we've treasured so much over the years.

Now don't get me wrong, Mr. Chairman, I have no quarrel with the collective bargaining concept in any shape or form. I think, Mr. Chairman, I can further say that no one should touch the right or erode that right of collective bargaining, even in the essential services which are part of our way of life today. But on the one side, Mr. Chairman, on the other hand in a dispute, if somebody feels that the other has got an unfair advantage there's incompetency or something, then I certainly support the concept of arbitration, but I wonder if the Minister could maybe in his wisdom give us some idea - is there no answer to the problem? Is Canada, Manitoba . . . is this thing going to go on and on and on? We're blaming inflation for it but there are other reasons besides inflation. Or is this what we're going to face for the next decade or more?

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Thank you, Mr. Chairman. I believe I posed a question to the Minister yesterday and I did not receive an answer. I hope I will.--(Interjection)--Oh, that's in respect to the certification of 35 percent requirement, and I would like to know what his views are.

I also wish to take this opportunity to make a correction to the Minister, because yesterday in his exuberance I think he got carried away and did a little campaigning for one of his colleagues in one of the constituencies, and perhaps it's going to be his heir apparent. But I would like to . . . and I don't think I need to rise for any support for my leader because I think he can take care of himself, but I'd like to put something on record, and maybe because all the remarks that were attributed to him yesterday in respect to conciliation, also will have to be attributed to the Woods Committee, to every member of the Woods Committee. And I'll read to the member, and I secured the notes from our leader exactly what he said in the news conference, and he read his note, and this is what he said, and I'm quoting every single word and it says: "We require more conciliation officers who are well-trained, better paid and more effective. This situation was noted in the Woods Committee report on labour-management relations in the public sector, submitted in July of 1974, in which the committee stressed the importance of competent, well-trained conciliators." That's what he said in his statement to the press and he read his press. Okay? What does the report say? The report says, and it's in line with the general consensus of those who participated in this exercise, "The committee recommends the conciliation officers' stage should be retained." And then it underlines, it underlines, it says, "It also wants to stress the importance of competent, well-trained conciliators." That's what it said. So exactly that paragraph was put in my leader's notes and when he had his press conference. So again, if that was so wrong to say that by my leader, and if that was so bad, well then I say your remarks should be attributed as well to your committee, your own Woods Committee, because he took the quotation out of

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(MR. McKENZIE cont'd) the Woods Committee and had it in his news release.

--(Interjection)--Well, I just read . . . I just read, okay, I'll repeat again. I'll repeat it again to him if . . .

Okay. Now the Minister also made some remarks in respect to . . . that I said the conciliation officers should be more, you know, should have a bigger part to play and be more effective. And the Minister just couldn't believe that the conciliation officers should interfere, that's what he said yesterday to me, that I said they should, you know, have more powers. What does the committee believe? The committee believes that the conciliator, once assigned, either through the initiative of the Minister, or at the request of one or both parties, should be clothed with the power to call any meetings of the parties he deems necessary. Any meetings. In addition the committee recommends that the parties be under legal obligation, under legal obligation to co-operate with the conciliator.

MR. PAULLEY: Section 62 of the present Act.

MR. PATRICK: That's what the report says and the Minister, apparently, when you quote even . . . not make a speech but take parts of the report and quote it to him, you know, he gets all upset and disturbed. So I say to him, the things that he, you know, the words that he attributed to myself or my leader yesterday, the quotes were taken right out of the committee report, completely. So the same remarks should be attributed to the members of the Woods Committee.

MR. CHAIRMAN: Committee rise. Call in the Speaker.

Mr. Speaker, your Committee of Supply has considered certain resolutions, reports progress, and begs leave to sit again.

IN SESSION

MR. SPEAKER: Order please. The Honourable Member for St. Vital.

MR. D. JAMES WALDING (St. Vital): Mr. Speaker, I beg to move, seconded by the Honourable Member for Gimli, that the report of the committee be received.

MOTION presented and carried.

MR. SPEAKER: The hour being 12:30 the House is now adjourned and stands adjourned until 2:30 this afternoon.