

THE LEGISLATIVE ASSEMBLY OF MANITOBA
10 a.m., Thursday, June 3, 1976

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 Mines.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, there are bills referred to two committees of the House in addition to Law Amendments Committee, and I'm excluding from this Industrial Relations Committee. They are Private Bills Committee and Municipal Affairs Committee. I do not think the proceedings at either committee would be extended. I'm suggesting that those bills be dealt with tomorrow evening; we could start at seven if that would be a better idea than waiting till eight o'clock. But I could call it at the normal time or at seven o'clock to suit the wishes of the honourable members. That would take care of all of the bills with the exception of those which are referred to Industrial Relations Committee and Law Amendments Committee.

I indicated, Mr. Speaker, yesterday that we would try to meet in Law Amendments Committee today, every time the proceedings in the House were terminated by the exhaustion of the Order Paper: that would mean this morning, this afternoon and this evening. That would leave one committee to meet and I want to discuss that with the House Leader, the Conservative Party House Leader.

MR. SPEAKER: Any other Ministerial Statements? The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Mr. Speaker, I have here a compendium of reports, of financial statement of boards, commissions and agencies. It is, I believe, a new form of report; it is not formerly called for or required but it's useful, and so therefore I table it.

MR. SPEAKER: Notices of Motion; Introduction of Bills; Questions. The Honourable Leader of the Opposition.

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MR. DONALD W. CRAIK (Leader of the Official Opposition)(Riel): Mr. Speaker, I direct a question to the Minister of Tourism. Could the Minister advise whether the Parks Branch operates equipment for the spraying for worms that are now causing problems?

MR. SPEAKER: The Honourable Minister of Tourism.

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs)(Springfield): Mr. Speaker, we do have some equipment. We don't have enough equipment to cope with the needs that we've had, especially over the last couple of weeks, so we contracted out some work to be done by other companies, but we do have equipment.

MR. CRAIK: Mr. Speaker, could the Minister advise whether this equipment is used by anybody other than for government purposes?

MR. TOUPIN: Yes, Mr. Speaker, in some cases the equipment will be made available to other groups, like in some cases we've indicated to the Whiteshell Association that if they wanted some spraying done that we'd see that chemicals and equipment that we were able to utilize would be made available to them, and I had a meeting to that effect.

MR. CRAIK: Mr. Speaker, can the Minister advise whether this equipment is made available to individuals?

MR. TOUPIN: To my knowledge, Mr. Speaker, it has in a few cases at their cost.

MR. CRAIK: Mr. Speaker, could the Minister indicate whether this equipment has been used by members of the government for their own premises?

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MR. TOUPIN: Mr. Speaker, again pertaining to work being done by different members of the House, that's quite possible, but it had to be at their cost. I know that some members from both sides of the House have asked me for the possibility of having either the chemical in question or the equipment in question be made available to them, and my instruction to staff was that that would be possible as long as it was paid by them.

MR. CRAIK: Mr. Speaker, could the Minister indicate - when I say the government I'm referring to members principally of the Treasury Benches - are there any members of the government that have used this equipment for their own use?

MR. TOUPIN: Again, Mr. Speaker, that's quite possible, but under the condition that I spelt out a few minutes ago.

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I direct this question to the Minister in charge of Lotteries. Has the Minister in charge of Lotteries anything to report regarding future Provincial or Canada lotteries, and I think now Loto, or any others, as I understand he had a meeting with the other Lottery Ministers across Canada earlier this week?

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development; Minister responsible for administration of Manitoba Lotteries Act)(St. Boniface): Mr. Speaker, yes at the meeting of all the provinces in Toronto Sunday night, and it was decided then that the provinces would make a suggestion or a proposal to the Province of Quebec to see if we could have a National Lottery, but an interprovincial run by the provinces. We're quite concerned that if the Federal Government gets in the lottery business, come three years they'll never want to let it go and this we feel would be wrong.

The Province of Quebec had some people as observers - the Minister could not come - they liked the proposal. The proposal would be that there would be a guarantee to Quebec from the other provinces that they would have the \$300 million that they're counting for to help them in the deficit of the Olympics, about 85, 85.5 percent roughly would come from Quebec, but then there certainly would be some revenue to the provinces, and more important still the provinces would run the lottery. There has been a few ministers delegated to discuss this with Quebec.

Then the next move would be to approach the Federal Government. Quebec has stated that they were on the spot; they had accepted the offer of the Federal Government so they did not wish to initiate the discussion with Ottawa, but it is our hope - they couldn't answer, but it was their hope they were going to recommend to their minister that the minister at least accompany, that Quebec accompany the other provinces. And if this is done I think that it would be politically . . . and otherwise it will be very very difficult for Mr. Chrétien to reject it if we can guarantee this amount.

I then went to a meeting with the Minister of Welfare and I talked to . . .

MR. SPEAKER: Order please. Order please.

MR. DESJARDINS: Mr. Speaker, I'm still answering, let me . . . be patient with me.

MR. SPEAKER: I agree, but I would suggest that the answers should be brief just the same as the questions should be to the point, and if we're going . . . Order please, and if we're going to have speeches during the question period the time will be taken up and we won't have any questions. The honourable member may wish to ask a more direct question or specifics. The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education)(Burrows): Mr. Speaker, on May 28th the Honourable Member for River Heights asked me whether Red River Community College has curtailed its program of English language instruction for new Canadians during the summer months, and I responded at that time that the staffing level for all programs at Red River are in direct proportion to the demand. Upon checking on this specific program I did find that that is precisely what has occurred in that Red River Community College had surveyed the demand for a course in English language instruction for the summer months, and based upon that demand, on the demand so

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(MR. HANUSCHAK cont'd) indicated, it then determined its staffing level for a particular program. And over the years, Mr. Speaker, there has been a substantial decrease in enrolment during the summer and the college of course wishes to avoid having instructors under-utilized. However, there should be no misunderstanding as to the purpose and the tone of the survey, it's not to discourage students from attending but simply to find out what their plans are so that we can plan accordingly.

And, Mr. Speaker, . . .

MR. SPEAKER: Order please. Again . . . Order please. Again if there is a very lengthy statement I think there's another area where a Minister could take advantage under our procedures and do it at that time. --(Interjections)-- The Honourable Minister of Health.

MR. HANUSCHAK: The second question that the Honourable Member for River Heights put to me . . .

MR. SPEAKER: Briefly, I hope.

MR. HANUSCHAK: The Honourable Member for River Heights wanted to know the exact number of potential students that were considered for the summer and the staffing that was required. The current enrolment in this particular course is 90 students with a staff of six or one to 15 ratio. The indications are that 30 students plan to attend during the summer, and so that will necessitate the retention of two instructors.

MR. SPEAKER: Thank you. The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. In light of the statement made by the Federal Minister of Communications where they are now prepared to accept applications for pay television, can the Minister indicate whether the Manitoba Telephone System has undertaken any negotiations or arrangements for the provision of pay television in the province?

MR. SPEAKER: The Honourable Minister of Consumer Services.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne): Mr. Speaker, the possibility of the provision of pay television is really something that will be decided by the Telephone System and is a matter of policy which will be announced at that time.

MR. AXWORTHY: A supplementary, Mr. Speaker. Can the Minister indicate whether the Manitoba Telephone System has undertaken any testing on its lines and looking at the feasibility or possibility of using a pay television system through the cable?

MR. TURNBULL: I'll take that question as notice, Mr. Speaker.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q.C. (River Heights): Mr. Speaker, my question is to the Minister of Health and Social Development, and it is with great caution I ask him whether he can indicate if there was any resolution of the discussions with the Federal Government with respect to the changes in the Canada Systems Program.

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: Yes.

MR. SPIVAK: I wonder if the Minister can indicate briefly what they are

MR. SPEAKER: Under a statement probably. The Honourable Minister of Health, briefly.

MR. DESJARDINS: Mr. Chairman, I think the safest way is I'll have a prepared statement for probably this afternoon.

MR. SPEAKER: Thank you. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the Minister of Tourism and Recreation. Can the Minister indicate to the House if there will be any curtailment of activities in the Whiteshell Park to tourists, traffic and so on, in view of the fire hazard in the Whiteshell?

MR. SPEAKER: The Honourable Minister of Tourism.

MR. TOUPIN: I'm hoping to have a statement in this regard either this afternoon or this evening.

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MR. PATRICK: Mr. Speaker, will the Minister be making that statement in the House, and if there is a curtailment, will the cottage-owner have access to their cottages in the Whiteshell?

MR. TOUPIN: Mr. Speaker, I intend to make or table a statement in the House.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Thank you, Mr. Speaker. My question is to the Honourable, the Minister responsible for Highways. I wonder in view of the approaching tourist season, if his department is considering hiring additional student help this summer to work on the shrub beds along No. 1 Highway, especially between Portage and Winnipeg, that are becoming very weed infested and quite unsightly.

MR. SPEAKER: The Honourable Minister of Highways.

HON. PETER BURTONIAK (Minister of Highways)(Dauphin): Mr. Speaker, if it is required to hire extra help, particularly as the member put it, student help, then certainly that will have to be done.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Speaker, I direct a question to the Minister of Tourism. I wonder if he can advise the House that if members of the government are using the Parks Branch equipment, could he advise in the House, or take as notice, to provide us with the charging scale that's used by the Parks Branch for this purpose.

MR. SPEAKER: The First Minister.

MR. SCHREYER: I would like this to come out boldly and frontly. I would like to know if my honourable friend believes that a member of the Crown, of the Treasury Branch is using government equipment in a way that is not available to other citizens, and without paying prevailing commercial rates. If that is the case - I'm not faulting him for raising it - I would like to know so I can have it stopped immediately.

MR. CRAIK: Mr. Speaker, the Minister himself indicated: No. 1, there was an extreme shortage of equipment to the point where it was necessary to contract out for further equipment. He pointed out, No. 2, that this equipment was being used first of all, the equipment or the spray itself, by members of the House. The next question was: Was it being used by members of the government? His answer was, it was available to members of the government. The final question to the Minister was: If it has been used by members of the government benches, what is the charging rate at which that equipment is charged out? My final question is: In that particular case then, would the Minister also indicate what members of the government have used this equipment? The Minister said members of both sides. I'm asking if he wants . . .

MR. SPEAKER: Order for Return in that case. The last question is an Order for Return, or should be an Order for Return. The Honourable Minister of Tourism.

MR. TOUPIN: Well do you want to give the answer, or do you want to listen? --(Interjection)-- Mr. Speaker, to my knowledge, no member of the House, and here I am including all members of the House, have used Park equipment for spraying or park chemicals for spraying their own property. Now there could be - and I'm aware of a few members of the House, including both sides of the House, that have either used equipment and/or chemicals that were actually contracted out to the Parks Branch but not to be utilized by the Parks Branch, by members of the House from both sides. But that's at the cost that it would cost the Parks Branch and it was not during the hours that the Parks Branch was using the equipment. So that equipment was available to any Manitoban, by anyone that wanted to contract out and to set a date for the use of that equipment. But to my knowledge, Mr. Speaker, no Park equipment was used by any members of the House.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Mr. Speaker, I think members should be aware that the Department of Agriculture has distributed chemicals to a whole host of municipalities for that very purpose, and I presume including the Parks Branch for that very purpose. It is for public consumption.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. CRAIK: . . .my question wasn't with regard to the chemicals, it was with regard to whether or not the Parks Branch equipment had been used.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

ORDERS OF THE DAY

MR. GREEN: Mr. Speaker, I would first like to get the second reading of Bill No. 87, which stands on Page 2 of the Order Paper. Following that I'd like you to go back to Page 1 and deal with the bills in the order in which they appear.

BILL 87 - THE STATUTE LAW AMENDMENT (FINANCE) ACT (1976)

MR. SPEAKER: Thank you. Bill No. 87. The Honourable First Minister.

MR. SCHREYER presented Bill 87, The Statute Law Amendment (Finance) Act (1976), for second reading.

MOTION presented.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I don't know if it was Freudian slip on your part, this is one occasion that I can say that not only am I the First Leader, I am the only leader in this Assembly. The other two are not here. You'll forgive me, Sir, for that observation, it just happens to be correct.

This Bill 87, Sir, provides, as the very title implies, a number of miscellaneous amendments to different statutes and consequently has been divided into parts, each part relating to a particular Act. It also provides for the effective date of the amendments taking effect.

For example, Part I consists of amendments to The Crown Lands Act, and those honourable members who have a historical bent will be interested to know that we are amending here the School Lands Fund which was initially established back in 1929 by way of memorandum of agreement between the Government of Canada and the Province of Manitoba. This agreement is included as part of the Manitoba Natural Resources Act, being Chapter 30 of the continuing consolidation of the Statutes of Manitoba.

Upon coming into force of this agreement, Canada will transfer to the province the money or securities constituting that portion of the School Lands Fund created under Section 21 and 23 of the Act, to amend and consolidate the several Acts respecting public lands of the Dominion of Canada.

The School Lands Fund to be transferred to the province as aforesaid, and such of the school lands specified in Section 37 of The Dominion Lands Act, shall be set aside and continued to be administered by the province in accordance - always of course mutatis mutandis - with the provisions of Sections 37 to 40 of The Dominion Lands Act, for the support of schools organized and carried on in accordance with the laws of the province. The effect of those provisions was that money obtained from the sale of school lands specified therein and from the School Lands Fund could be invested only in securities of Canada.

Now this memorandum of agreement of 1929 was amended in 1951 to provide for investment of money in securities of Canada or of a province or of a municipality or school district, or in securities guaranteed by either of the two senior levels of government.

This same memorandum of agreement was amended once again in 1961. This amendment is included in The Natural Resources Agreement Amendments Act 1963, being Chapter 70 of our Statutes, and it provides that School Lands Fund transferred to the province under the terms hereof and such of the school lands specified in Section 37 of The Dominion Lands Act, shall be administered or disposed of in such manner as the province may determine.

So that was the essence of the amendment made in 1961, that the disposition of the lands and proceeds from the sale of lands shall be administered or disposed of in such manner as the province may determine.

So then the next point to make, Sir, is that the balance in the School Lands Fund account as at March 31, 1975, was in the order of \$9 million. The government has considered this matter and in view of the annual increasing amounts of support to schools contained in Estimates of current expenditure, it is deemed advisable to transfer those funds to general current revenue of the province. An amount of \$9 million has therefore

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(MR. SCHREYER cont'd) been included in printed Estimates of revenue for the fiscal year ending March 31, 1977.

The proposed revision to the Crown Lands Act would allow the Minister of Finance to authorize transfer from the School Lands Fund account, which has been dormant, to the revenue division of the Consolidated Fund.

Part II of the bill before us, Mr. Speaker, has to do with amendments to The Gasoline Tax Act, and these are in accordance with what was indicated in the Budget. I do not propose to recapitulate that, and furthermore it is spelled out here in the detailed sections of the bill.

Yet another section of this bill has to do with amendments to The Income Tax Act Manitoba and in that regard I could indicate by way of summary that Sections 11 and 15 of this bill contain amendments to The Income Tax Act required to give formal effect to part of the new provincial-municipal revenue sharing system announced in the 1975 Budget. These sections include provisions that for 1975 and subsequent taxation years, the applicable general provincial income tax rates will be 42-1/2 percent of the federal basic tax on the personal income tax side, of which 40.5 will be provincial, 2.0 allocated to municipalities; and on the corporate side 13 percent, 12 percent for provincial purposes and one percent for municipal purposes. I should point out as well that the changes that we have made, proposed in the recent Budget having to do with corporate tax, the levying of the surtax on corporate income is with respect to corporations other than small business, and that is modified in turn by the recent announcements in the Federal Budget of an increase in the threshold at which the higher rates apply, so that the small business lower rate will be higher than \$100,000, and that is a point which I think is of significance to small business operating in the province. The favourable differential lower rate of taxation initially intended at \$100,000, it will now be a somewhat higher threshold.

I should indicate as well that this bill contains the Legislative provision for Manitoba's personal income tax surtax, and in that regard, my honourable members will recall that we on this side believe that the surtax is essential to complement the federal surtax and the spirit and intent of the Anti-Inflation Program. And may in some small way, I would not want to exaggerate the importance of it, but hopefully in some small way can compensate for some of the deficiencies or inequities of the Anti-Inflation Program in exhibiting some meaningful restraint on upper echelons of income. The nominal rate of surtax is 20 percent of the amount of provincial income tax payable in excess of the amount payable at a taxable income level of \$20,000. In terms of taxable income, surtax ranges from 0 to just under 4 percent. In no case does the surtax exceed 4 percent of taxable income. It is if anything a minor additionality of taxation at those levels of income.

Under the Manitoba surtax, the surtax does not apply to gross incomes of 24,955 and under, if it is in a case of a family of four. The amount of surtax payable is \$1 at \$25,000; \$150 at \$30,000; \$460 at \$40,000; \$792 at \$50,000; and \$2,600 at \$100,000. I do not believe that this will work hardships, Sir, to say the least. It is worth noting that the surtax is applied on an individual taxfiler basis, plus if both the husband and the wife are income earners, the surtax would apply only if either of their taxable incomes exceeded \$20,000. It is in part for this reason that the vast majority of Manitobans, over 97 percent, Sir, that we estimate, of all taxfilers, are not affected by this measure. Current estimates indicate that the surtax may affect about 15,000 Manitoba taxfilers, and yield about \$5 million.

Section 15 of this bill provides for the corporate surtax. This surtax is applied at a rate of two percent of taxable profits. It will bring the nominal rate of Manitoba income tax for the larger corporations to 15 percent, and yield an estimated additional \$9 million per year.

As I indicated then, at the time of the budget, I indicate now, the surtax applies to larger operations only. All small business income as defined under Section 125 of the Income Tax Act of Canada, is exempt. At the time of the Manitoba Budget, this figure was \$100,000 of taxable income per year to a cumulative total of \$500,000. Under,

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(MR. SCHREYER cont'd) however, the recent changes in the Federal Budget of recent week - I think it's ten days ago now - the small business limit has been increased to \$150,000 per year to a cumulative total of \$750,000, so that there will be some reduction in yield of this corporate surtax. But hopefully it will be in such a way as to get even added considerations to smaller business. And that, Sir, we do not quarrel with.

Current estimates suggest that between 1,200 and 1,400 larger corporations operating in Manitoba will be subject to the surtax. Honourable members will be interested to know that for these corporations, the combination of the 13 percent basic provincial rate, with the two percent surtax on larger business, in other words, for a total provincial corporation income tax rate on larger business of 15 percent, plus the standard federal rate of 36 percent, totals 51 percent. This combined rate is somewhat lower than the 53 percent which applied in 1972, the 52 percent which applied in 1973, or the 54.8 percent which applied in 1974. In other words, Sir, despite the surtax, there is still a lesser level of corporate taxation than obtained in the years prior to this simply because of the discontinuation of the federal corporate surtax that existed in 1973, 1974 and 1975.

Honourable members may also be interested to note that the most up-to-date information compiled by Statistics Canada, indicates the taxable income accounts on average over the years 1968 to 1973, accounted for about 60 percent of corporate profits. In other words, the 51 percent tax rate applicable to large corporations under Manitoba surtax, will leave these corporations paying about \$30.00 in corporate income tax on each \$100 of profit, for an effective tax rate of about 30 percent. In both cases, personal and corporate income tax surtaxes, these will be administered by the Government of Canada, under our Dominion Provincial Tax Collection Agreement.

As indicated in the Budget Address, both surtax measures have a three year maximum Legislated life with the possibility of earlier termination by the Lieutenant-Governor-in-Council in the event that there is an earlier termination of the anti-inflation clause and program in Canada.

Other provisions of this bill, Sir, provide for the Property Tax Credit, maximum benefits are to be increased to \$350 from the present \$300 and the general minimum entitlement of Property Tax Credit or credit toward municipal taxes is to be increased \$200 from \$175.00. This, Sir, is the fourth consecutive year in which the benefits have been increased under the program.

There's more detailed information but I would prefer to leave that for consideration at other stages of the consideration of the bill.

Very quickly, Sir, there is also a part in this Omnibus Bill relating to the Metallic Minerals Royalties Act and these are for clarification purposes, there is no substantive change involved. I make that clear so as to save honourable members time.

There are also amendments to the Mineral Acreage Tax Act which for the most part had been requested by the Registrar General of Land Titles, so therefore, one could say that they are administrative in nature to produce a more practical registration system when mineral rights are transferred to the Crown.

An amendment also provides for the transfer of some administration functions from the direct control of the Minister to his indirect control.

There's also changes here to the Mineral Taxation Act, the amendments provide a number of debt collecting provisions similar to those in other taxation statutes and provides more practical provisions for protecting provincial revenues payable by mineral owners.

Under Part VII of this bill there will be amendments to the Mining Royalty and Tax Act to exempt municipalities from Royalty tax payable regarding gravel, etc., mined from pits which they lease. The gravel which is mined from pits which municipalities own is currently exempt from tax. This legislation change will clarify the original intent and legalize what has been traditionally accepted.

There's also as announced in the Budget, so I will not dwell on it here, amendments to the Motive Fuel Tax Act in accordance with what was announced in the Budget.

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(MR. SCHREYER cont'd)

And there are amendments to the Retail Sales Tax Act. One of the amendments will provide clarification of the term "lease" under the Act as well as amendments eliminating the railway rolling stock exemption, which has been an exemption up until now. The amendment will also provide for a change in the time requirement previously provided in the regulations relative to private purchases of sales of vehicles registered under the Highway Traffic Act.

There are administrative clarification changes with respect to the Revenue Act (1964) and similarly with respect to the Tobacco Tax Act, and this is in accordance with the announcement of intent in the Budget.

The Section 68 of this Bill, Sir, of this Omnibus Bill, provides for varying dates of commencement of the effect of the enacted amendments. Thank you.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Speaker, I move, seconded by the Honourable Member for Roblin, that debate be adjourned.

MOTION presented and carried.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have some 10 students of Grade 7 to 11 standing of the Pierre Radisson Collegiate, under the direction of Mrs. Penny Bryans. This school is located in the constituency of the Honourable Member for Radisson.

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

BILL NO. 54 - AN ACT TO AMEND THE TEACHERS' PENSIONS ACT

MR. SPEAKER: Bill No. 54. The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, there has been quite a bit said about this bill by various members of the Chamber and I paid particular attention to the remarks made by the Minister of Corrections yesterday and I know that the Minister of Corrections is a man who has had a great deal of experience in the teaching profession and I would hope that the concerns he expressed yesterday will be taken very carefully by the Minister of Education. And if there is need for amendments to this Act, I sincerely hope that the Minister will bring forward amendments so that we can make a better bill out of Bill 54.

Sir, I look forward to the remarks of the Minister of Education when he closes debate on this and I would hope at that time he would give us some indication that he may be making some changes in it when it goes to committee.

MR. SPEAKER: The Honourable Minister of Education shall be closing debate. The Honourable Minister.

MR. HANUSCHAK: Mr. Speaker, I have listened with great interest to the contribution of honourable members in the House to the debate on Bill 54. It was rather interesting, Mr. Speaker, the position expressed by members of the Official Opposition, and in particular that stated by the Honourable Member for Brandon West. He did try to impress upon us that in view of the fact that the credit for war service is a matter of priority with a certain group within our society, that therefore we ought to accede to their request because it happens to be a matter of priority with somebody.

Well it's rather strange, Mr. Speaker, because that was not the position taken by the same party on other legislation that came before this House. There are many other pieces of legislation that came here which were equally matters of priority and at no time did they say, "Yes, we recognize the fact that this is a matter of priority with the people of Manitoba and therefore we ought to legislate accordingly." Now, perhaps, Mr. Speaker, there has been a change, a change of mind, a change of attitude on the part of the Member for Brandon West, on the part of the Member for Fort Garry, and I would hope that they would demonstrate some consistency in the future and regardless of the position taken by their party, that they would recognize the fact that here is a

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(MR. HANUSCHAK cont'd) matter of priority recognized by the people of Manitoba, and respond accordingly.

You know, Mr. Speaker, you will recall that Publicly Owned Automobile Insurance and the abolition of Medicare Premiums were also matters of priority with the people of Manitoba, but at no time, at no time, Mr. Speaker, did I hear the Honourable Member for Brandon West or the Honourable Member for Fort Garry say to the House, "These are matters of priority with the people of Manitoba, therefore we must approve the legislation." In fact they voted against it, Mr. Speaker. I'm sure you will remember that, and they spoke against it. But this is very interesting that on this bill both the Honourable Member for Brandon West and the Honourable Member for Fort Garry have stated very clearly that these are matters of priority indicated by a certain group in the Province of Manitoba and therefore we ought to accede to their request. --(Interjection)-- That's right, like the Art Gallery.

And I'm certain, Mr. Speaker, that if we had brought in the legislation, if we had brought Bill 54 in on that basis, when I introduced the bill for second reading if I had got up here and said, "Mr. Speaker we're bringing in Bill 54 because it's been impressed upon us by the Manitoba Teachers' Society that this is a matter of priority with them." If I were to have given that reason on behalf of the government they would have voted against it, Mr. Speaker; they would have accused us of being irresponsible; they would have accused us of catering to one group within the population of the people of Manitoba; they would have accused - and properly so - they would have accused us of irresponsible government.

You know, generally, Mr. Speaker, a Minister in closing debate thanks honourable members for their contribution to the debate because as a rule there is comment from both sides of the House which assists government in proceeding with the bill through Law Amendments Committee and bringing about any further refinement that it may require to result in the type of legislation that is best for the people of Manitoba, well it is regrettable, Mr. Speaker, that - I have a distinct impression that the honourable members of the opposition were not too well briefed on the subject matter of this legislation because the Honourable Member - both who took part in this debate spoke of teachers being denied credit for war service - you know, they weren't very clear as to whether they were referring to teachers, when? because some of these people were not teachers - and that's where part of the problem lies, Mr. Speaker - were not teachers during their period of service in the war.

The Honourable Member for Brandon West states that there was no consultation with the teachers. Very recently - I can't recall whether it was prior to the date that the Honourable Member for Brandon West spoke, no I think it was subsequent to that date, that I'm sure that he received the same piece of literature as I did from the Manitoba Teachers' Society wherein the Manitoba Teachers' Society did indicate that there were at least 25 meetings held between executive officers of the Manitoba Teachers' Society and myself on this issue. But that in the opinion of the Honourable Member for Brandon West that is not consultation.

Now insofar as the provisions of this bill are concerned I want to indicate to the honourable member that this bill, this bill gives the teachers far more than last year's bill would have given them.

MR. SPEAKER: Order please. I must interrupt the Honourable Minister in order to go through a procedure of Assent on some bills.

ROYAL ASSENT

DEPUTY SERGEANT-AT-ARMS (Mr. R. Cadger): His Honour The Administrator.

MR. SPEAKER: May it please Your Honour, the Legislative Assembly at its present Session passed several Bills which in the name of the Assembly I present to Your Honour, and to which Bills I respectfully request Your Honour's Assent.

- Bill No. 2 - An Act to Amend the Criminal Injuries Compensation Act.
 3 - An Act to Amend the Garage Keepers Act.
 4 - An Act to Amend the Mental Health Act.
 5 - An Act to Amend the Condominium Act.
 6 - An Act to Amend the Communities Economic Development Fund Act.
 7 - An Act to Amend the Farm Machinery and Equipment Act.
 8 - An Act to Amend the Women's Institutes Act.
 9 - An Act to Amend the Snowmobile Act.
 10 - An Act to Amend the Animal Husbandry Act.
 11 - An Act to Amend the Queen's Bench Act.
 12 - An Act to Amend the County Courts Act.
 13 - An Act to Amend the Surrogate Courts Act.
 17 - An Act to Amend the Liquor Control Act.
 18 - An Act to Amend the Clean Environment Act.
 22 - An Act to Amend the Alcoholism Foundation Act.
 23 - The Pesticides and Fertilizers Control Act.
 25 - An Act to Amend the Highways Protection Act.
 28 - An Act to Amend the Wheat Board Money Trust Act.
 29 - An Act to Amend the Builders and Workmen Act.
 31 - An Act to Amend the Oakwood War Memorial Scholarship Act.
 40 - An Act to Amend the Corrections Act.
 42 - An Act to Amend the Social Allowance Act and to Give Manitoba Regulations 260/75 Retroactive Effect.
 44 - An Act to Amend the Civil Service Superannuation Act.
 47 - An Act to Amend the Highway Traffic Act.
 51 - The Retirement Plan Beneficiaries Act.
 52 - An Act to Amend the Real Property Act.
 53 - An Act to Amend the Registry Act.
 60 - An Act to Amend the Securities Act.

MR. CLERK: In Her Majesty's Name, The Honourable the Administrator doth assent to these Bills.

MR. SPEAKER: We Her Majesty's most dutiful faithful subjects, The Legislative Assembly of Manitoba in Session assembled, approach the Honourable the Administrator with sentiments of unfeigned devotion and loyalty to Her Majesty's Person and Government, and beg for the Honourable the Administrator the acceptance of these Bills.

Bill No. 61 - An Act to Authorize the Expenditure of Money for the Capital Purposes and Authorize the Borrowing of the Same.

Bill No. 73 - An Act for the Granting to Her Majesty Certain Further Sums of Money for the Public Service of the Province for the Fiscal Year Ending the 31st day of March 1977.

MR. CLERK: The Honourable the Administrator of the Government of the Province of Manitoba doth thank Her Majesty's dutiful and loyal subject, accepts their benevolence, and assents to these Bills in Her Majesty's name.

BILL NO. 54 Cont'd

MR. HANUSCHAK: Mr. Speaker, as I had indicated the bill presently before the House does in fact extend greater benefits than last year's bill would have of a similar kind which did appear on the Order Paper then. You will recall that last year's bill called for the establishment of a board which would have reviewed the cases on a one by one

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(MR. HANUSCHAK cont'd)basis, in turn make a recommendation to Cabinet and then Cabinet would have made the final decision as to whether or not any of the teachers within that group of 25 or 30 would be eligible for credit for war service.

So the bill per se, Mr. Speaker, would have provided for an opportunity for review but did not in any way give any teacher any assurance that he or she would have received credit for war service. The present year's bill goes beyond that. The present year's bill that we're dealing with now says that any, any teacher presently in a teaching profession who has had war service, which war service was not counted for credit in any other pension plan, could buy it at cost, at 12 percent of his present salary. So if it were a case that this year's bill would have. . . if we had come back to the House with a bill offering the teachers something less than what we were offering last year, then I would have said that the honourable members' criticism may have had some validity to it. But the reverse was true, Mr. Speaker. The bill offered more than last year, that is, this year's bill offered more than last year's bill.

Then the Honourable Member for Brandon West - and this I must join with the Honourable Member for St. Johns, I could not let this go by without comment - when he spoke of a lack of enthusiasm on the part of this government to look after the needs of war veterans, when he raised the question why we appear to be so loath to recognize and look after these people at a reasonable cost. And I find this very strange, Mr. Speaker, because I do have a distinct recollection - the honourable member was a member of this House in 1973, at which time we did amend the Teachers Pensions Act which did open the door to a number of veterans to qualify for war service, who, under the legislation of the previous government, were denied credit for it. And it was this government that did it. Because you will recall, Mr. Speaker, that under the previous legislation, prior to 1973, a teacher had to have been a teacher at the time of enlistment to qualify for credit for war service. There were many, particularly those who knew that they were about to enlist sometime in the early part of the school year, terminated their teaching contract in June and did not renew it in September because in fairness to the school district, to the pupils, they saw no point in engaging in teaching for a period of a month or two, and then knowing that they'll be called into the armed forces and because of that, because they did not go directly from teaching into the armed forces and because of that gap of a few months that they were not a teacher, they were denied credit. It was this government, Mr. Speaker, that corrected that, this government that the honourable member accuses of being loath to recognize their concerns and their interests, as recently as three years ago, not a decade or 15 or 20 years ago, that I may excuse the honourable member for having forgotten, but three years ago.

You know when the honourable member speaks of being loath to look after the interests of veterans, speaks of being loath to look after the interests of civil servants, as the honourable member - and you will recall, Mr. Speaker, during the debates of my Estimates - was going to fire the school inspectors. He was the one who was going to fire the school inspectors. After I explained, Mr. Speaker, that the role and function of the Field Services staff has changed, and explained the new role and function of it and the purpose of the appropriation in my Estimates, what did the Honourable Member for Brandon West move? He moved a motion that that appropriation be denied the government, and, Mr. Speaker, you well know that if it would have been denied I would have no alternative but to let the field officers go, because the Member for Brandon West said that either they do that job which they had done 20, 25 years ago, or else we don't want them in there at all, and hence no appropriation for the Department of Education. He was the one who was going to fire them.

Then the Honourable Member for Fort Garry speaks of the . . .

MR. SPEAKER: Order, please.

MR. HANUSCHAK: . . . of the 12 percent provision within legislation as being a hardship, creating a hardship on those who may stand to benefit from this legislation. Mr. Speaker, I don't know if it's a hardship, he doesn't know, the Teacher Society does not know, because for all he knows, or for all I know, or anyone else may know, it may well be that those who had war service and did not receive credit for it under a pension

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(MR. HANUSCHAK cont'd)plan may have had at that time invested an equivalent amount in some other form of investment, in some other form of pension fund, which today if they should wish to do so, if it will be to their advantage financially, they would merely transfer from whatever it is at the present time, into the Teachers Retirement Allowances Fund. He doesn't know that, and I don't know that. So we don't know whether that's a hardship or not.

When I had mentioned that, you know, that this bill looks after and will allow a number greater than the 25 or 30 that the Manitoba Teachers' Society have expressed a concern about, to take advantage of it, to receive credit for war service, the Honourable Member for Fort Garry refers to that as a smoke screen. But, Mr. Speaker, I did not attend Teachers College until six years after the war and I remember that in my class practically ten percent of the students were war veterans, and I'm sure that the percentage had increased if one would go back to 1946, and I'm sure that the percentage is probably even higher in the Faculty of Education. And this bill would enable those, either because of their age, the age at which they entered teaching, they may require the credit for those years to obtain maximum pension benefits, or for whatever reason, would enable them to take advantage of war service for their pension.

Now I suppose the Honourable Member for Brandon West, or the honourable members of the opposition rather, responded to the telegrams - and that's what prompted their response - the telegrams which they had received, which I had received. And I must state, Mr. Speaker, that as far as the Manitoba Teachers' Society is concerned, several months ago their concern as expressed to me, as expressed to the government, was quite clear. What happened in the process over the past few weeks, I don't know, because any member who had received a telegram from a teachers' association within a school division in his constituency, found concern expressed about 12 percent being callous, being inequitable - oh, they did go through the dictionary and they managed to come up with 10 or 15 different adjectives to describe the 12 percent clause. But, Mr. Speaker, that is not the real issue. The real issue is recognition of credit for war service, recognition of credit for war service, period.

And I must state, Mr. Speaker, that because of the Federal Government's inaction in that area, and hence that in turn prompted various employee groups, various professional groups, various employers, to take action unilaterally in providing credit for war service, we are in the state of affairs, the predicament that we are today. And I will agree that it's a mixed bag right across Canada. There is no uniformity insofar as credit for war services is concerned on a province to province basis. But that being so, it has to be rectified in some fashion. So there's one point, the recognition of credit for war service.

And if we do accept that principle, who is going to pay? And I would say to the honourable members of the opposition if they in their place of business were to hire an employee today who has had war service, would they pay for the employer's portion for the years of service that he's had in the war? That is to say, if an employee came to you and said, now I've had three years in the armed forces; I did not receive credit for those three years under any pension plan at any time over the last 30 years, now I'm coming to work for you, I would want you, Mr. Employer, to pay your portion for my three years of war service. . Now I ask you whether you would pay it for someone who had come in now, or a year ago, or ten years ago, or 15 years ago for that matter; or someone who may have joined your firm shortly after the war, whether you would have. So I want you to think about that for a minute.

So there's that one principle, the recognition of giving pension credit for war service. And within that, within those broad parameters, the recognition of the fact that - and now I'm looking specifically at teachers, because by and large well over 90 percent of graduates from our teacher training institutions become teachers in our public school system - recognition of the fact that there have been individuals whose service as a teacher had been interrupted, or whose training to become a teacher may have been interrupted by the war. Now there is the broad principle which I mentioned, the recognition of credit for war service to whomever, which may include those such as I have mentioned

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(MR. HANUSCHAK cont'd) who may have come along recently and want credit for war service; and then there's the other category who may have commenced their teacher training, the war broke out, they completed their teacher training after the war, went into teaching, or who had been teachers, qualified teachers, had been working toward the obtaining of a teaching certificate in whatever fashion - because at different points in time you will recall, Mr. Speaker, there were a variety of routes, of avenues to the obtaining of a teaching certificate, you know, a mix of teacher training and summer school sessions and so forth - so there too it's quite a mixed bag, but nevertheless it was quite clear that they had set out on a route to becoming a teacher and giving recognition for them.

As I've said, Mr. Speaker, that this is not a cut and dried, clear cut and dried issue, there are many such factors to take into account as I have mentioned and others. And the legislation that any government passes at any time is not the last word. The legislative process is a continuing process, and review of legislation, of amendments can and does continue through the second reading of a bill, through Law Amendments of a bill and later amendments further come about. So no piece of legislation is a last word. And my government, Mr. Speaker, is continually checking and analyzing legislation, consulting with those groups that are affected by it. And when a need for a change becomes apparent, arrangements are made to present that change by way of legislation; if it becomes apparent while a bill is in second reading, Law Amendments Committee and so forth.

Now as I'm sure, Mr. Speaker, members know that the bill before us provides an opportunity for teachers who cannot presently count war service for pension purposes, to purchase that credit at a rate of 12 percent of the present salary for each year of service. Now in the opinion of our advisors and consultants, this represented an equitable price, in terms of the benefits which would accrue for the additional service. That provision within the bill, Mr. Speaker, recognizes the government's desire to give credit for war service to teachers, that recognizes the fact that the vast majority of graduates from faculties of education, from teacher training colleges, do become employees of the public school system and therefore only a small percentage who either choose not to teach or choose to teach in institutions other than public schools, but the vast majority do and hence we do give recognition to that fact.

But, Sir, there is a strong feeling of concern in government and outside it that within these parameters which I have stated, within the parameters of the principle of recognition of credit for war service, that we ought to look more closely at the interruption of teaching or teacher training by war service. And I'm pleased to say, Mr. Speaker, that I believe that we have arrived at a solution. A solution which I feel meets the present situation adequately but which does not tie the hands of government as it reviews future requests from other groups concerning credit for previous service.

And in Law Amendments Committee, Mr. Speaker, I do intend to have further amendments presented which will do two things, Firstly, the one amendment will look at the group of persons who were teachers before the war and whose teaching service was interrupted by the war, or whose teacher training was interrupted by the war, and, who then either became teachers after the war or resumed teaching service following service in the armed forces, but who presently do not receive credit for war service because there was a gap of more than 12 months between the last day on which they fought and the date of enlistment, you know for the reasons that I have mentioned. There may have been some who may have been teachers but did not enlist within a year. For example, a young man taught on permit for a year. Now he was a teacher according to our definition because permit teachers did contribute to the pension fund. Following his year on permit, he entered normal school, and during that year he received his call up and expected to be inducted into the armed forces upon graduation. However, Sir, his enlistment was further delayed to allow him to help with the harvesting during the summer following his graduation from normal school. This resulted in a total elapse time between his last day of teaching and his enlistment of 17 months, hence, no credit for war service. But this man was a teacher, Mr. Speaker, he became a teacher after the war; he

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(MR. HANUSCHAK cont'd)suffered an interruption in his career, therefore it is not justice that he should miss getting credit for his war service, because of five months spent in the vital task of helping to gather the harvest at a time when farm help was desperately short. So the amendment, Mr. Speaker, will give this man and others like him, credit for war service, at no cost to themselves, at no cost to themselves, Mr. Speaker. --(Interjection)--

MR. SPEAKER: Order please. Order please. Will the Honourable Minister proceed.

MR. HANUSCHAK: The Honourable Member for Roblin, says, "Getting close." How much closer does he want to get? I do regret that he did not take advantage to participate in this debate, and he would have had the opportunity to tell me how much closer we could get. Now he says from his seat "Getting close."

Secondly, Mr. Speaker, we look closely at that group of persons who were not teachers prior to service in the armed forces, but who became teachers after being discharged from the armed forces. Now originally it was recommended by our advisors, as the bill indicates, that all of these persons should be permitted to buy credit for war service at 12 percent of the present salary. But here again, we were dealing with a mixed group. One person was in high school when the war broke out, after completing Grade 12 he enlisted; following his discharge from the Armed Forces, he enrolled in the university; he completed an Arts degree, and teacher training, and began a teaching career. Another person was a teacher before the war, but did not return to teach in the public schools for ten years following discharge from the Armed Forces: another man who was a teacher before the war did not return to teaching for 20 years. And there were a number of persons who failed betwix and between. So really, Mr. Speaker, we cannot treat all of them alike, because I'm sure, Mr. Speaker, that there is no one in this House, no one in the Province of Manitoba who would say that that person who may have served in the Armed Forces and after discharge chose to do something else for 10 or 15 years that he could attribute service in the Armed Forces to having interrupted his teaching career. It's true he served in the Armed Forces, but it so happened that upon his discharge from the Armed Forces he chose to pursue some other vocation, or some other occupation, and then for whatever reason there may have been he came to the conclusion that he would rather return to teaching, and he did. So fair enough, he had service in the armed forces, but one could not say that war service interrupted his teaching career in the same sense as the person who went out of normal school into the war and then back to teaching, but because of whatever reasons there may have been he was not able to return to teaching within the prescribed period, or was not able to enlist within the one year prior to enlistment - those are another category of their own.

So as a result of our review, Mr. Speaker, we concluded that an across-the-board 12 percent did not seem equitable, so we proposed, Mr. Speaker, a sliding scale of charges which will see those persons who became teachers within the time limits prescribed in the Public School Act, that is within two years of discharge from the Armed Forces or within one year following completion of a course of studies designed to improve qualifications, they'll be able to purchase credit for war service at 6 percent of current salary for each year of service. The person who became a teacher after the war, he'll be able to within the prescribed time limit will be able to purchase it at 6 percent, and those who missed these time limits by one year will be charged 7 percent, and so it will go up to a maximum of 12 percent for those persons who became teachers, six or more years after the time limits in the Act. I do feel, Mr. Speaker, that that is about as fair and as equitable as one could be, because surely the one who becomes a teacher six or more years after the time limits within the Act, it really becomes difficult to maintain that that teacher's entry into the teaching profession was delayed by service in the war. It may have contributed to some delay, that is true, but he could not really say that had it not been for the war he would have been in teaching three years earlier, or four or five years earlier.

So, commencing at 6 percent, one percent per year up to 12 percent - I feel, Mr. Speaker, that we have reached a very equitable resolution of this issue. We have

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(MR. HANUSCHAK cont'd) recognized that there are certain teachers who experienced interruption in their career, which began before war service and continued following war service; we have recognized that there are persons whose entry into their chosen profession as teachers may have been delayed by the length of their service in the Armed Forces; and we have recognized that within this second group there are differences which should be recognized in the purchase price of service. So I am very pleased, Mr. Speaker, to make the announcement of the proposed amendments that we've brought before Law Amendments Committee when this bill reaches that stage, and I anticipate that my pleasure will be shared by all who have been concerned about this bill when the actual amendments appear at Law Amendments Committee.

MR. SPEAKER: Is it the pleasure of the House to adopt the motion. Order please. The case has been closed. The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I wonder if the Minister would accept a question. Mr. Speaker, I'd like to ask the Minister if he or his department between the time that they decided not to proceed with the bill as it was presented last year and the introduction of this bill in this present form, did they at any time during that time that this bill appeared in the House consult with the Teacher's Society about the new approach?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: Mr. Speaker, they had consultations with the Teachers Society between those two dates, as the honourable member should remember, he himself mentioned in his speech.

QUESTION put, MOTION carried.

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BILL NO. 57 - AN ACT TO AMEND THE LABOUR RELATIONS ACT

MR. SPEAKER: Bill 57. The Honourable Member for Assiniboia.

MR. PATRICK: Thank you, Mr. Speaker. I wish to make my contribution on Bill 57 at this time. And I hope I'll have some latitude to the extent that the Member for Fort Garry had, and I believe the Minister of Mines and Natural Resources had when he spoke on this bill, because it was far ranging - we talked about the national unemployment picture and many other things. --(Interjection)-- Yes we did, Mr. Speaker. So I hope that I will have the same latitude. I do rise to support the bill. I have many questions however to ask, because the amendments to the Labour Relations Act contain quite a few extensive amendments dealing with employee-employer relations and collective bargaining, Mr. Speaker, so I do wish to pose some questions that are not too clear in the legislation.

I wish to state at this time that I know the Industrial Relations Committee of the House which met last year to hear the recommendations, and representations from most interested parties, from the public and by employee and employer groups, were certainly an asset. I think it was a very worthwhile exercise because many of the things that are in the legislation were in the White Paper and had been discussed, and there were briefs presented on many of the items.

However, I wish to indicate that there were some things in the legislation that were not that crystal clear to me. The Minister in introducing the legislation talked about the philosophies, he said the Act was expressively intended to encourage growth of unions in the province in the belief which he held and still holds that collective bargaining is the best means available to determine wages and working conditions. Well, Mr. Speaker, I don't know of anybody else that does not believe that or does not accept that, because I too believe very strongly in the collective bargaining system. I believe in strong, democratic responsible self-regulating unions; strong, because weak cannot bargain, democratic because members have to be assured that the union leaders are working in their interest; responsible, because I think that trade unions have a responsibility to society, Mr. Speaker; and self-regulating, because I think that unions must correct abuses within the trade union movement. So, certainly I subscribe to that, and that's my feeling and the feeling of the Liberal Party, that we believe in the process of collective bargaining, we believe in negotiations, and so I do not disagree with that point. This is why I indicated that the Minister used quite a wide latitude when he said he wanted to talk a little bit about philosophy.

Now, Mr. Speaker, we have some serious difficulties at the present time, because we know that we had in 1975 perhaps the largest man-hours lost of work of any country in the civilized world, the reason for it, I don't know. The other concern that I have, and probably the greatest threat to collective bargaining at the present time is the Anti-Inflation Board, which many of us can question. But the thing is, Mr. Speaker, I think that price and wage controls as much as we maybe dislike them, or labour dislikes the price and wage controls, if we look into it quite closely, I think that the Canadian manufacturers were pricing themselves out of the marketplace, with zero growth, GNP had a zero growth. And the collective agreements, designed agreements, in 1974-1975 were more than twice as high than they were in the United States. So something had to happen, and I'm not necessarily saying that I agree with IAB, but I think the Federal Government would have been wrong if they would have not taken some action. Because what does it all lead to? Displacement of employment, displacement of workers, and we would have had pretty high unemployment.

I used this example once before and I want to use it again, Mr. Speaker, it was brought to my attention by a contractor in this city. He said, I used to buy an overhead door for the same price that I could have bought a Canadian made one right here in Winnipeg, I could buy one that was American made and imported, for the same price two years ago. Now that same door is about \$75.00 more than the one that he can purchase from across the line. So he says this is an indication - which one do you think I'm going to buy? I'll buy the one that's imported because it's cheaper substantially, it's made just as well or better. There were serious problems in the marketplace, so I think some action had to be taken, and this government agreed. I know the Minister was out when I

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(MR. PATRICK cont'd). . . . said probably the greatest threat to collective bargaining at the present time is the wage and price controls. We have no choice but to agree with the price and wage controls, because there were problems in economics. Again, time will determine how effective the wage and price control are holding down prices because, I've indicated this in the Throne Speech, it would have to be equitable and fair to the workers as well as the consumers, I said it can't be weighed one way, and perhaps time will tell.

I was somewhat concerned, Mr. Speaker, and I listened quite closely to the Minister of Mines and Natural Resources when he indicated to the House that he'd like almost no legislation as far as labour is concerned. He said the least you have the better it's going to be. Well I could see what the Minister of Mines and Natural Resources is leading to - if he can get every worker in this province unionized this would be an ideal situation probably and there would be no difficulties, that could work. But, Mr. Speaker, if you remove all labour legislation in this province at the present time, you'd have a real jungle, that's what you'd have in the province. And I'm sure that the Minister of Labour will agree, I'm sure the Member for Logan will agree, because the Minister of Mines says it was the former governments that brought in all this legislation, and what we're doing, we're just doing away with this legislation. That's not so. If you look back in the last five, six years, this Minister has brought in a considerable amount of legislation. I can't comment on every piece of it but a lot of it, for instance, why did we bring in legislation dealing with such things as three weeks vacation with pay, why legislate such a thing?

If we can agree with everything that the Minister of Mines and Resources indicated - he says you don't need legislation, but somehow this is the Minister who brought this legislation in. And you can go all the way down the line - statutory holidays, unfair labour practices, certification problems, secret ballot that was changed before the former government, all this legislation was brought in, or much of it, in the last few years. So for the Minister of Mines and Natural Resources to say, look, we don't need any of that legislation, we're only undoing what the former governments have introduced, well that's not true. Why did the Minister just the other day bring in an increase in the minimum wage? Well surely the Minister is not espousing the philosophy of this government, because if he is, there must be great disagreement between the Cabinet and some of the members in the House and the Minister of Mines; surely the other day the Minister of Labour would not have increased the minimum wage, because the Minister of Mines said, let everybody fight for himself. I think if we would have that, Mr. Speaker, we would have a real jungle as far as our labour legislation is concerned because surely the strong unions, they can look after themselves. The strong employer can look after himself. But what about the worker that's not unionized? What about these workers? And they're in the majority, Mr. Speaker, Who's going to look after them? You know there are many many indications and cases, and cases where an employee never used to get paid for a statutory holiday because it wasn't legislated. You know, he was supposed to get a holiday, supposed to get paid, and most employers are good employers but there were a few that didn't pay for a statutory holiday, and that's why it had to be legislated that it would be paid. So I just cannot accept everything that the Minister of Mines and Natural Resources the other day, when he took part, he says, look I don't believe in any legislation. I believe, Mr. Speaker, in collective bargaining. I believe in strong democratic responsible, self-regulating unions. You know, I've indicated that before in this House. I said strong, because the weak cannot bargain, Mr. Speaker.

So the stuff that I heard from the Minister the other day, I certainly cannot accept much of what he had to say. I don't mean the Minister of Labour, I'm sorry, I meant the Minister of Mines when he said, look let everybody fight for himself, let everybody fend for himself, we don't need all this legislation. All we're doing, he says, we're undoing everything that was done by the former government. Well, Mr. Speaker, this government has brought as much legislation in the last few years as the other governments. Why do they bring it, if we can accept what the Minister of Mines is saying, why does this Minister of Labour bring in all this legislation? Because there is a need and there is a

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(MR. PATRICK cont'd). . . . necessity for it, because you would have a jungle. Because the weak cannot bargain for themselves, and that's why, that's why.

So I accept much of the legislation that's brought in, been brought in in the last few years. I've not necessarily agreed with everything. I've agreed with the majority. Some of it I've been asking for for years in this House. I know even years ago dealing with unfair labour practices, I brought in a measure to this House that was a year later or two years later brought in by the Woods Committee, and it was accepted by the former government, where the Labour Board had powers to immediately send out officers and to issue instructions to decess and desist to the employer in collective bargaining, dealing with unfair labour practices. And which I think was a good measure. So I certainly can't accept quite a bit of the remarks from the Minister of Mines and Natural Resources.

I wish to deal more closely, Mr. Speaker, with the bill that's before us and some of it, as I indicated, I accept. I know that one of the provisions in the bill, the percentage that's required for certification, and the certification which has been changed from 35 to 50 percent, I don't think that anyone in this House can argue with that because according to our hearings there was no dispute from either group, from labour or management. They seem to have agreed that 50 percent would be better provision. I indicated that last year in my remarks to the Minister of Labour and again this year, that I think it would be a proper course because that's what both parties are requesting and if it's compatible to labour and management, I couldn't see why we couldn't accept that.

The thing that I have some concern with, Mr. Speaker, and that's the preparation or the Code of Employment. I want to pose some questions to the Minister and I hope that in closing debate he will be able to give me some answers. I know that the Minister would say perhaps you would have been more satisfied with the first collective agreement, which would have been brought in by compulsory arbitration, and the only reason that I'm raising this point is because, Mr. Speaker, let's look at the terms of the conditions in the code.

There are no terms of conditions in the code, are there? So what you're doing is extending the time from 90 days to another 90 days for the agent and then you're also giving him a further one year. So that's almost giving the agents 18 months, and my concern would be with this. Again I'm not rejecting it as such, I hope it will go to Law Amendments so I can hear the representations from labour and management for employee groups, because what happens here, the employer cannot change the terms now for 18 months, which means the employee may suffer because he can't get a raise, and if he can't get a raise from this, unless the employer signs the agreement, but if he can't get a raise for 18 months, what's going to happen? I think the person that will get hurt, in my opinion, will be the employee. So if he can't get a raise he'll start looking for another job somewhere. So, you know, there'll be interruptions. There may be disruptions in employment of these people, because if there would be some conditions set out and terms of . . . but there are no terms and conditions in the Code of Employment. There are no terms and conditions. It's an extension for the bargaining agent. So my concern is, you know, what happens in the new hiring, what happens in lay-offs, in vacancies and promotions, in check-offs? These are the terms that I'm talking about, and and I'm concerned that who may get hurt in the situation is the employee. I hope not. I hope to hear from labour representatives and from employee organizations that this is acceptable to them.

But I know that first agreement too, it's acceptable to some employers or employees and it's not acceptable to the other employees. So you have a dilemma and I guess to the employers it's just not acceptable. But in the Code of Employment I do have some concern because we're extending the terms for 18 months and I think that the one that may be penalized is the employee and I hope that is not the case.

So I hope that the Minister will be able to give me some answers that, you know, in drafting the legislation. Because, you know, if I could comment on the legislation, as I said much of it has been discussed in the White Paper and I think it was proper. We had briefs from most organizations, from labour and management, and to

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(MR. PATRICK cont'd). . . . much of the legislation that's in there, much had been agreed by both parties, so I see no problems. But some of the other areas, it has not been agreed. So my concern is, sure the legislation may benefit labour, it may benefit large unions as such, but will it benefit the employees? That's what I'm concerned with, will it benefit the employees? And I think that that's the first concern that the Minister should have.

The other point, Mr. Speaker, I wish to raise with the Minister is, there's a principle in the bill - employer's interference with union, and I think it's a new section from before - where it seems an employer has not any freedom of speech and I think that he should have a freedom of speech. Again, he should not threaten, he should not influence, but I think he should have freedom of speech. Because what happens if you have bargaining agents call into homes and sign up so many employees and none of these employees show up at work and they have nobody. . . they may go to an employer and they say, what should I do? You know, should I join a union? Well he may say, well you have to go to a labour board, ask them or you know, he can't ever speak to them as such. So my concern, either that should be better explained or better defined because somehow I would be concerned if we would take away the freedom of speech from anyone. And again I say I'm not talking, I'm not talking that. . . an employer should have no right to threaten anybody or influence the decision of that, but I don't think that he should you know, be stopped from communicating. I would feel that that may not be fair, Mr. Speaker.

The other section that I wish to pose some questions, Mr. Speaker, and that's votes respecting certification and what happens in this case? I believe it's a different wording that we had before. You may have 50 percent of members signed in any unit and then when you appear before the Labour Board, you may not have 50 percent, not because they were influenced by other workers or influenced by the employer, but maybe they changed their mind. This is what I'm concerned about the employee. So if the employee changed his mind and felt, well I was visited at my home by two organizers and I thought maybe I should sign, now I've thought about it and I've changed my mind. In here when you appear before the Labour Board, you have to use the percentage that was signed at that particular time and it may have been two weeks ago or 30 days, and that's my concern again. Even if there was no influence, I think that the employee should be given the opportunity to decide for himself, to see both sides of the questions and because two weeks later he may have changed his mind. And this is what concerns me because the board, the Labour Board, if I can indicate to the Minister, are members in good standing at the union who may order a vote to be taken to determine the wishes of the employees in a unit as to the selection of the bargaining agent. You see now we don't talk about. . . there's no reference made at all if there's still 50 percent in that unit that want to be certified. That would be a concern and perhaps the Minister could explain that. But I think in all this, I'm really concerned about the employee's rights. I think that he should make his own decision, he shouldn't be influenced by either side.

Now the other point, Mr. Speaker, under another section, and I know the Speaker may rule me out of order for referring to sections but I did not prepare any notes and I wish to deal page by page under the legislation. Under one of the sections where we have a \$500 fine where anyone's rights are breached. Now there's been no wrong done, there was no loss of income or anything except that somebody's rights have been breached. I don't argue with the \$500 fine. My concern would be, I don't think it will stop the union or I don't think it would stop the employer from breaching somebody's rights because in my opinion the fine of \$500 is not much. So that's my feeling on that principle in the bill. I think if somebody is going to breach somebody's rights - and I'm talking about either party - I don't think \$500 is much of a detriment.

The other point, Mr. Speaker, that there was some mention on in the debates to the present time, and that was the definition of professionals and I think it's a good provision in the bill, because what happens, there are some professionals who do not practise their profession. You may have, let's assume lawyers, who their full-time job is teaching at the university, they're not practising their profession. And there has been a considerable amount of misunderstanding and difficulty in this area. I would take the

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(MR. PATRICK cont'd). . . . same, perhaps professional engineers who do not practise their profession, they may be full-time teachers. So I believe that the interpretation in the bill is a good one.

Mr. Speaker, there are some other areas that I am concerned and that's on limitation of time and that's for either. . . after the award of an arbitration board serving the parties, I think there's the same provision in Labour Board decisions as well, that's limitations of time and it gives 30 days, subject to 30 days, after 30 days have elapsed since the award of arbitration or serving the parties with arbitration, no application shall be made to any court and no proceedings or actions will commence in any court. I believe 30 days may not be enough. My concern is he would have to perhaps in some cases hire a solicitor and before he prepares his case, and so on, and so I feel that this may not be enough. I think the same provision applies in another section, to set aside or quash an order or decision, whether by prerogative or otherwise, again it's just 30 days, and I think to have better --(Interjection)-- Well again I don't know why. If that's the reason perhaps the Minister will be able to explain it to me. This sort of 30 days - and I know how long it usually takes nowadays in courts and I thought 30 days, for good legislation, this is something the Minister may give consideration. In my opinion it may appear, and to me it does appear restrictive and I don't believe that, you know. . . unless the Minister some reason for it because there is need to retain counsel, to reweave everything, there's instructions to the legal counsel to proceed or not, so all this takes times and maybe 60 days, you know, would be much better legislation.

So, Mr. Speaker, I hope that the Minister would also explain another principle in the bill and that's interference with rights. Just to read to the House: "Every person who interferes with the right of an employee under Subsection 1 or the Right of an Employer under Subsection 2, commits an unfair labour practice" and all it says, if he interferes. Surely there should be some definition what kind of interference, or what does it mean? I just hope that there's some explanatory note with that section because at the present time, to me at least, it doesn't have much meaning, Mr. Speaker.

Mr. Speaker, I'm also concerned in another principle of the bill and that's discrimination in hiring. I would like to hear from the Minister. It appears to me it may be open to abuse. Before, I think it went to the Board and the Board gave them permission to go to the courts, and now it goes to the Labour Board only. And unless he satisfies the Board that he did not refuse to employ or discharge from employment, or refuse to continue to employ, discriminate in regard to employment against the person because of any of the reasons set out in the clauses, and the onus is on the employer to prove that. I think that at one time it had to go to the Board and the Board gave permission to take it to the courts, now it just goes straight to the Board. And again, maybe there's nothing wrong with it, but I hope that the Minister would elaborate because it's different than the other section and I feel it may be open to some abuse, Mr. Speaker.

I certainly accept the principle that conciliation officers now have power to at least to meet with the parties, which before they didn't have; they didn't have the power to call the parties together, now they have. I think it's a very good principle and I accept that, because in the latest report, I believe from the Federal Government, it was reported that some 42 or 46 percent of all the negotiated agreements, where there was no strike, needed some assistance from either conciliation officers or some assistance from some labour jurisdiction in the provinces; or if it was a federal responsibility, the federal jurisdiction was there. There's a trend in this country that the conciliation officers are doing a good job, and they're not only doing a good job but they're required to have the parties to come to some kind of agreement, so I think that this is a good provision in the bill and I certainly accept it. I hope that also there would have been more power given to the Minister as well where he can get reports from, say, both parties, before the strike is called. I think that at least the Minister would be aware of what's going on if there's a danger of a strike.

Mr. Speaker, perhaps the Minister can also explain some of the changes in the check-off provisions as far as the conscientious objectors are concerned. I believe at one time his dues were deducted and he made application to the Board so that he would

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(MR. PATRICK cont'd). . . . have his dues go to some charitable organization. I believe there is provision now, and maybe good provision, but there is no requirement of any dues for conscientious objectors. My concern would only be, how many employees will take advantage of that and maybe opt out of not paying any dues. There must have been a reason for this change because I'm not too sure that the other provision was unsatisfactory. The way I read the section now, "An employee in a unit in respect of which the collective agreement is in effect has satisfied the Board that by reason of his religious beliefs he is opposed to joining or belonging to a union", and there's no reference to dues. So I would say that according to the bill that he's exempt from any dues and I hope the Minister would explain, because if this is the case then perhaps he will find some difficulties later on.

The other point that I would like to raise with the Minister is that restrictions on applications for certification and, as well, restrictions on applications for decertification. I think the legislation indicates that you cannot ask for decertification in the first six months, only the last three, the seventh, eighth and ninth months, that you can ask for an application. What it does, Mr. Speaker, it protects the status quo. And my concern would be if the employees want to change unions, because maybe they're not happy with their union or they're not satisfied with their leadership, the kind of leadership they're getting. So are we protecting the status quo from the union that the employees wish to have changed. Again, perhaps I don't understand it, but I hope that the Minister would clarify the position, because in my opinion it appears to me that it is protecting the status quo.

The other point, Mr. Speaker, in one of the principles in the bill where it deals with related and associated businesses, again it doesn't spell out - I know the Income Tax Act spells it out and gives some guidelines what is a related business or corporations when there's more than one corporation, but in the Bill here the provision gives such wide powers, perhaps that could be looked at and maybe the Minister may give me some-again, what I'm indicating, that it's much better defined in the Income Tax Act than in here, where it just says, "associated or related businesses or operations" - well, they could be corporations, and corporations I don't think are even mentioned. So again I would hope the Minister would clarify.

The other thing that I am concerned in this legislation, Mr. Speaker, is what is not in the bill. I know that there was some debate in respect to the Woods Report Committee and I would have hoped that the Minister would have taken some action on the recommendations that were tabled, I believe, in July 1974, I'm not saying the kind of action that the Minister of Mines and Natural Resources was talking about, no strikes in essential services, that's not what the report indicated. The report dealt with management and labour, which they agreed to, and at least the Minister could have indicated in his speech why he didn't move. I would have been more satisfied with some very minimum service, and agree that the strike is on - I know it was indicated, and maybe there's some reason why the Minister did not move.

I was somewhat concerned that the Minister did not move into publicly funded arbitration courts, which I think could be established to deal with grievances arising under the collective agreements. I know I talked about this before, that right now labour and management are compelled to pay and I think that we've moved so far that I believe this is something the Minister can give consideration to.

I am also concerned that the Minister did not move to the full-time chairman of the Labour Board. Again I'm not being critical of the chairman, but I think with the kind of problems that we have and the things that you have to deal with I believe that he should have moved to a full-time chairman. . .

MR. SPEAKER: Five minutes.

MR. PATRICK: . . .of the Labour Board. I've already talked about first collective agreements or what's called an employers' code, I think it's referred to --(Interjection)-- Code of Employment, yes, I've discussed that.

Mr. Speaker, these are the areas that I wanted to cover at the present time. I would be most happy to let the bill go to Law Amendments and hear representations from

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(MR. PATRICK cont'd). . . . both parties, employee and employer groups. As I say, much that's in the bill has been discussed in the Industrial Relations Committee. The solution - at least in the first agreements or Code of Employment - which concerns me I think it's probably the biggest principle involved in here - and my concern would be, I don't know if it will solve the kind of problems that the Minister is attempting to solve. In fact I'm concerned and inclined to believe it may create some problems, for the simple reason we're saying, "Okay you get 90 days now, we'll give you another 90 days and then we'll give you a year". So you're extending the time to 18 months, and by that time many of the employees will not be entitled to a raise, some will be very dissatisfied and unhappy, some will have to leave to find other opportunities and jobs, so my concern is for the employee. You know, it may be great to talk about the employer and the unions, but what are we doing to the individual employee, that's my greatest concern, because during that period, there's such things as layoffs, there'll be disputes, there'll be new hiring, there'll be check-offs, there'll be promotions, there'll be vacancies, and how do we deal with those things during such a long period of time. So that's my concern, Mr. Speaker, I'm prepared to let the bill go to committee and hope that we'll hear representation from both sides.

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Thank you, Mr. Speaker. I rise to take part in this debate at this time in support of the bill. I want to say, Mr. Speaker, that there's quite a difference in critique that we've heard of the bill from the two members of the opposition from the two different parties. I must say that I enjoyed listening to the remark of the Honourable Member for Assiniboia, the critic for the Liberal party, I think that some of his remarks were quite constructive and seeking information to points on which he's not too clear.

He didn't damn out of hand like the Honourable Member for Fort Garry who saw nothing but terrible dire things happening to the industrial relations' scene in Manitoba by this sort of diabolical bill that the Honourable Minister of Labour has introduced for discussion into this House. I think it only proves, Sir, that the Honourable Member for Fort Garry - and I realize that he has taken over as the critic for labour for the PCP party here in this Legislature - it shows that he has not really learned his lessons quite that well as he would like to pretend that he has.

The changes that are being recommended in this bill have received considerable circulation over the last two years and discussion. There have been hearings before the Industrial Relations Committee, so when the Honourable Member for Fort Garry states that this is sort of a bombshell out of the blue, Bill No. 57, that this is not quite true, Sir.

Now I want to deal with some of the things that the Honourable Member for Fort Garry and also the Honourable Member for Assiniboia brought up. The one very strong point that came across from the Honourable Member for Fort Garry was that he felt that the Labour Board was being given too much power. I don't know whether he doubts the competency of the Labour Board to adjudicate such matters, but I would say that in my humble opinion, Sir, that the Board has more expertise than the courts have, because of the make-up of the people who are on the Labour Board. They have far more expertise than the courts on matters of industrial relations. After all, these are people from the management field, these are people from the trade unions, and these people are not the experts on industrial relations and have far more expertise than a Justice of the Court of Queen's Bench or otherwise, because there are very few of those people that deal exclusively with trade unions and industrial relations matters such as people who are involved in the day-to-day operations of companies and in the day-to-day operations of the trade unions operating in conjunction with them. And so I don't see this terrible thing coming to pass that the Honourable Member for Fort Garry has claimed, by giving more powers to the Manitoba Labour Relations Board.

The Honourable Member for Fort Garry also claims that freedom of speech is going to be curtailed because of a certain section in this Act. But all that the Act says, it spells out that certain things that employers during the process of certification must

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(MR. JENKINS cont'd). . . . not do. But it also states in a further section of the bill that freedom of speech will not be curtailed.

It also states within the Act too, Sir, that employees cannot tell an employer what employers' group he might belong to. And you know it's a two-egg source, it works both ways. But can you imagine, say, a small firm with 25 or 30 employees and they're in the process of certification, and perhaps the employer wants to join an employers group such as the Chamber of Commerce or the Canadian Manufacturer's Association, and they would be able to tell him that, no, no, we don't think that you should belong to that group because they really wouldn't represent your interests as well as, say, another group. Do you know what the employer would do, he would laugh them out of the office, throw them out. And of course that is exactly the same situation that this Act is correcting for the employees, that the employer is not going to say, Union X is a far better union to represent you than Union Y.

Now the Honourable Member for Fort Garry states that changes in this bill, amendments to the Manitoba Labour Relations Act, is going to take away individual freedoms of individual union members. The Honourable Member for Fort Garry seems to have a real bee in his bonnet, he seems to have this idea of a great big union boss, this fellow is a Czar, he's really laying down the law to union members, like, "Today we're going to strike that plant and I tell you this is how you're going to vote." Well I can tell the honourable member that I think I have held, within my own trade union movement, the local that I belong to, practically every position that it was possible to hold within that trade union - President, Vice-President, Chairman of the Grievance Board Committee, or Griever, as it is known on the railway, Assistant Griever, Chairman of the Board of Trustees which looked after financial affairs, Financial Secretary - and I can tell you that no way, in any one of those positions that I held, could I tell the members of the union that I belong to how they were going to vote on a certain issue, because I know what they would have told me. They'd have told me to go. . .and I don't think that would be polite language to use in this Chamber, Sir.

A MEMBER: Fly a kite.

MR. JENKINS: Fly a kite, maybe not quite that polite, I'm sure it wouldn't have been that polite. But, you know, right now in the railways we are engaged in taking a strike vote and I received my ballot as a member of that union to exercise my right to decide whether we should withdraw our services or whether we should accept the Conciliation Board Report as brought down by Justice Emmett Hall. And nobody, not the President of my local, Vice-president, Financial Secretary, Recording Secretary or the Chairman of the Grievance Committee has phoned me and said, "Bill you will vote this way," because I would tell them where the devil they could go. And they know that, and I never did that when I was a union officer in my local.

Now we come to, and I don't think that - if I can just continue on with that just a little bit - I really think that the Honourable Member for Fort Garry has just got a bit of a paranoia as far as trade unions. . .I know the opposition accuses us of having a paranoia here against big business and management. And I can assure you that's not true. Because we negotiate with these people. We realize that. . .

MR. SPEAKER: Order please.

MR. JENKINS: . . .under certain circumstances that there is so much of a pie to be cut up, and at times we have to accept much less than what we would be prepared to accept otherwise. I think that the recent. . .of the unions on the railways, and on us, where they went down from 18 percent to 11 and 8, and this is the recommendation that Justice Emmett Hall has brought forward, but in all that time, the Canadian Railway Association, acting on behalf of all the railways in Canada, have not made one counter offer from their original position, and Justice Emmett Hall states this very strongly in his Conciliation Board Report. Now, if there's going to be within the collective bargaining scene anything meaningful, there has to be a give and take on both sides. It can't be one side giving and the other side taking. But that is what is happening today under the auspices of a piece of terrible legislation that was passed in Ottawa, the Anti-Inflation Act. Because people now in management are absolutely using this to thwart the process of

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(MR. JENKINS cont'd). . . . collective bargaining. You see it now - it's happening in Thompson - where people are being absolutely frustrated. And I know the Honourable Member for Assiniboia was quite upset with some of the things that are happening. And I said I predicted earlier in this House, we are going to be faced with a summer of discontent because of some of the rulings and some of the actions of the Anti-Inflation Board which has done a terrible job in my estimation.

Now we come to the Code of Employment that the Honourable Member for Assiniboia, and the Honourable Member for Fort Garry, both have expressed some concern about. And I want to say, Mr. Speaker, that the Code of Employment is not compulsory arbitration, regardless of what the Honourable Member for Fort Garry - and I don't think the Honourable Member for Assiniboia stated that it was, but he had some doubts about it, and I admit that some of the ones that he raised were perhaps quite valid. What the Code of Employment is, and I think it's really, the nub of the question is that we hopefully hope that management and union will use it as a further tool in collective bargaining. And there are many tools in collective bargaining. But we hope that it's a further tool, that in difficult cases where people will absolutely try to get down to the basics of what the word collective bargaining means.

But if you're going to have someone, and a good case is perhaps Dick Containers, is it? - up here in Swan River, or somewhere like that, and the Winnipeg Free Press, where you have people on one side who absolutely refuse to bargain. Now we had representations, I think from the Newspaper Guild, at the Industrial Relations Committee, which asked us to bring in compulsory first contract, which is compulsory arbitration, for first time agreement. I know that the Honourable Minister of Labour has spoken many times on this. I know that the Honourable Minister of Mines and Natural Resources has spoken on this. I have spoken on compulsory arbitration. To me it's a most repugnant sort of the way of trying to settle wage disputes, because neither side, I can assure you, gentlemen, is happy. I have never seen anyone who can sit down and be Solomon yet to both sides. If that sort of a person exists, I wish that you would bring him forward, because he would be a most remarkable person, if he could cajole and make both sides happy. Because one time --(Interjection)-- I wish the Honourable Member for Radisson would not try to distract me. I'm trying to make a point here and I'll have a discussion with him afterwards. But, Mr. Speaker, getting back to compulsory arbitration. It is a most repugnantly, I mean because, as I've said before, people are never satisfied. And it's one thing that legislators if they're wise will keep their nose out of, because you can't win. You're going to get egg on your face from both sides, because neither side is going to be happy with what you, as legislators, appoint an arbitrator - and it's not the arbitrator they're going to be mad at, no, no, If you could get off that easy that might be a very simple thing for you to say, well we'll pass the buck to John Doe over here and let him take the rap. But they don't take the rap, it's you as legislators who take the rap, and you never win, I can assure you.

Now, I can assure the honourable member that I am not aspiring to the Honourable Minister of Labour's job, because I think he's been doing an excellent job, but I think it behooves members in this House, that when something that deeply affects them as Members of this House, and I don't get that much of an opportunity to speak in this House, but this legislation and legislation of this type, interests me because I am a member of the trade union movement and have been for many years. It doesn't affect me personally because I don't come under the Manitoba Labour Relations Act. I wish the devil that we did. But we come under the federal Act, and I can tell you that there are some serious flaws in that piece of legislation that I would like to see changed. But that doesn't stop me from having an interest here as a Manitoban to see that we try to remove, and I think as the Honourable Minister of Mines and Resources said yesterday, some of the bias that has been built into legislation, restricting people from doing certain things. I think the Honourable Member from Assiniboia stated that you know, we throw everything out, and we would have chaos. Perhaps we would. But, you know, we have been living under restrictive labour legislation in Manitoba, in Canada, in North America, for many many years. And it's only hopefully that we start to, to take an enlightened view, that

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(MR. JENKINS cont'd). . . . these people are responsible citizens of the community, who are capable of making decisions.

Now the Honourable Member for Assiniboia said recent wage settlements in Canada have been higher than they have been in the United States: that may be true.

And we've heard, I guess for the last 18 months or so, that productivity in Canada has been dropping, our productivity is terrible, that the Americans are producing, and their productivity is much higher than ours. But lo and behold, the figures came out the other day that disprove that. Now if I can give you an example. In 1950 when the first big railway strike took place in this country, from about the year 1908 or 1911, I think that was the last one prior to the one in 1950, in the non opts at that time there was 190,000 employees dealing with less sophisticated equipment of repair than what we are dealing with today. Today there is less than 80,000 people, and you don't try to tell me that their productivity hasn't risen. You're damn right it has, and risen very dramatically. And why shouldn't their wages increase? But they have not increased in comparison to other sections of society, because at one time in the labour society, or in the whole society, because at one time the tradespeople within the shop crafts of the railway unions were the highest paid tradesmen in this country. And I think the Honourable Member for Transcona, the Minister of Labour, can back me up on that. But we've got different standards, durable goods, everything else, and we are no longer in that position that we were. So, I think when we hear this lack of productivity that we are supposedly suffering from here in Canada, that's hogwash, because the productivity is there.

And you know, Mr. Speaker, when the large wage increases were being made in the United States in the trade union movement, and we asked, why shouldn't we get the same? They were told, well that's the United States, this is Canada. Deal with Canada. Fine and dandy. I say that's fine and dandy. That's the United States, this is Canada. And now the shoe's on a different foot, let's deal with it the same way, because when the wage rates all across the pay scale, were much higher in the United States than they were in Canada, I never heard any of the members of the opposition raising their voices that we should be in the same category and on the same pay scale rises when our productivity was not as good as theirs. --(Interjection)-- Yes, they were conspicuous by their absence.

Now the legislation that is before the House is one that has, as I said before, Mr. Speaker, has received the widest distribution, had considerable discussion, and I think that the Honourable Member for Assiniboia has expressed some concerns that he has, and I'm sure that the Minister of Labour - and I'm not going to usurp his position and tell you what all these things are, because that's not my job, that's his job, but I'm sure that he will answer you. And when this bill goes to committee, there's just one thing that I would like to, and I know that the Honourable Member for Assiniboia can't answer me, but I'll ask him and perhaps he can tell me some other time, but, he was suggesting that where . . . remedies for unfair labour practices, and he stated that \$500 wasn't a sufficient penalty that someone should pay for that. Would he privately some time tell me if he would suggest maybe a figure of \$1,000, \$2,000, maybe \$5,000. Maybe really put some teeth in it. I mean if he's that concerned maybe he should at the Committee on Industrial Relations make an amendment, and think he --(Interjection)-- well, I suggest to the honourable member that he might find me much more receptive than he thinks.

He also suggested that he didn't know what interference was, what was supposed to be interference, and I know, Mr. Speaker, that you're not supposed to refer to the Act, but I would refer the honourable member to Page 2, and if he reads there, I think it is spelled out fairly clearly for him.

And he also suggested that he was a bit confused on conscientious objectors. I don't know whether he really looked at the heading of the section, but it applies to what is commonly known as a closed shop. And you know what a closed shop is. It's not an open shop, it's not a union shop, from my understanding it applies to what is commonly known in the trade as a closed shop where you must be a member of a union as a condition of employment. --(Interjection)-- Well, the honourable member is now asking me whether there is no more union dues.

Now that leads me to something that we had trouble with in 1972. My own

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(MR. JENKINS cont'd). . . . personal opinion is that I think the Rand formula should apply. The honourable member knows what the Rand formula is. It was something that was brought in by Justice Rand when they were striking in the automobile industry for a closed shop, and by arbitration it was brought in, the Rand formula would apply, that every person who road on backs of others would pay his fair share. And in the case of the Rand formula, there was no opting out because you were a religious objector, you paid the union dues, and you still do, because the Rand formula also applied to the rail unions across Canada, and there is no way that you opt out there. And personally I agree with that. If the honourable member is asking me what my personal opinion is, I would like to see the Rand formula applied right across the board within the Manitoba Labour Relations Act. Because I think that if someone is going to derive benefits from a collective organization which is operating on its behalf, and he wants to accept those things, when they come about, increases in pay, improvements in condition of employment, then he should absolutely, I think, should be made to pay his fair share of them. But, to say that. . . and I know that we adopted it the last time we dealt with the Manitoba Labour Relations Act, and we made some changes in the --(Interjection)-- Well, the honourable member says that. . . I think the honourable member is reading that wrong. That exempts him from having to take membership, it doesn't exempt him from paying union dues. In my estimation, my opinion of it, I think the Rand formula is the one that will apply. I may be wrong. The Honourable Minister of Labour can correct me if I'm wrong.

But, Mr. Speaker, I see that we're getting close to 12:30, and I really don't want to say too much more. I think that the Minister of Labour will make reply to any questions that the honourable members have raised.

I do want to say again that I think that the Honourable Member for Assiniboia, I congratulate him on his progressive approach to the discussion on this bill. I'm just sorry that the Honourable Member for Fort Garry, who happens to be a very good friend of mine, I can't say the same for him because I think he adopted a very negative attack upon the bill. It was something that you would think that almost Mephistopheles had dreamt up.

But I can assure you that the Honourable Minister of Labour, while this is his piece of legislation, that we as members of this caucus on this side of the House have had our finger in and we stand with him, and we'll stand with him in the vote in this House and also in committee. I think that this piece of legislation is only something that will progress; it won't be the last answer, there'll be more changes when we are re-elected in the next election. There'll be more changes made, more enlightenment, and hopefully we'll have by the changes that we're making here more people who will take the opportunity to become organized.

I think the Honourable Member for Assiniboia stated that this is well for people who are in trade unions but he was worried about people who don't belong to trade unions. I worry about them too. But sometimes we, as legislators, can do things for people within the labour force that they should be doing for themselves, and perhaps we are by giving them so many weeks of holiday after so many years, so many statutory holidays and certain wage conditions. As long as we do that perhaps we are doing a disservice to them. Perhaps we should be opening this wide up and making it easier for them to become collectively organized so that they can fight for these things themselves. That's really what we should be doing. But unfortunately we have had restrictive labour legislation over a period of many years and you just don't wipe this out holus bolus and expect that people would be able to jump in. It's a transitional period and hopefully over the period of years we will try and get less and less legislation that restricts the freedom of people within the field of human endeavour in the work force. As I say to the honourable members, this is just one step towards the goal to which we're working.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I just had a few words. I wonder if the members would want to call it 12:30.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I'd like to recognize the group that came in a little while ago. I didn't want to interrupt. There's 28 students of Grade 6 standing from the Erickson Elementary School under the direction of Mrs. Helen Woychyshyn. This school is in the constituency of the Honourable Member for Minnedosa.

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

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MR. SPEAKER: The Honourable Member for Fort Rouge, if he wishes for a couple of minutes or else we can call it . . .

MR. AXWORTHY: Mr. Speaker, there is just really one comment I wanted to put forward and it's primarily prompted by the remarks made by the Member for Assiniboia and the Member from Logan, which does give me some cause for concern and that is really the present state of the art of labour legislation in this country at the present moment. We have been talking a good deal about the fact that you can't divorce labour relations from the general economic picture. Certainly the introduction of the anti-inflation program has, if nothing else, provided all of us with a fairly jarring requirement to re-examine many of the basic premises upon which labour and management relations have been determined. I think that the evidence has been quite clear, that they have not been working well.

This labour relations bill, as my colleague from Assiniboia has indicated, is an advancement on an old art form. It has taken the basic premise of collective bargaining that has been in underlying labour relations and has retooled it and reshaped it perhaps to extend its reach and its aim. But it may be, Mr. Speaker, that we're simply at this time heading in a direction that will not lead us into any improvement in labour relations, nor any ability to improve the economic performance of this country. I believe that it really is a requirement because we are a federal state and because so much of our labour relations policy is concentrated on the provincial level, to begin looking at some of the propositions that are beginning to emerge through the discussions that are taking place at the federal level in terms of the idea of the closer co-operation that's required between labour, government and business in the management of economic affairs. And perhaps to take that even one step further and look at the whole question of industrial democracy and the right of workers to sit on the boards of management and become much closer involved, as a concept of labour relations, in the determination of economic organization and economic performance than they have in the past.

But Canada along with a few other countries still works on the adversary system of labour relations or a conflict system and the resolution of conflict based upon the collective bargaining. I think it was instructed that in the report that the Financial Post did, that they sent over someone to look at the way in which the Swedes and the West Germans and so on had been reorganizing their labour relations. They indicate that the worst labour record in Europe is in Italy and Great Britain and went on to comment that that is exactly the kind of labour system that we've established in Canada. We have tended as we have evolved our own labour system to follow the mold set in the British context which has probably the worst labour record of any in the industrial world and yet ignored the kind of innovations that are taking place in other European countries. I find it somewhat surprising, particularly because members opposite are so fond of the Swedish model, that they have ignored that idea of labour-management co-operation in the running of business and have not in any way introduced it as part of their examination.

MR. SPEAKER: I'm sorry, time is up. Is the honourable member going to go very much longer or just a minute?

MR. AXWORTHY: If there was leave I could probably complete in a minute or two and then leave it to the Minister.

Mr. Speaker, while I think that the topic itself deserves a much deeper and wider examination, I simply wanted to take the opportunity when this bill was presented to say that I believe it's something that the government should be looking at, that particular area of labour relations which is quite different from the concepts embodied in this bill.

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(MR. AXWORTHY cont'd). . . . And while we're perhaps not ready for legislation yet, it should be something that would be worthy of real investigation and enquiry to see if we in the Province of Manitoba should begin rewriting or reorganizing our legislation to take account of that concept of the industrial democracy or the co-determination of sharing of management between labour and business in many areas, which certainly from the experience elsewhere has shown it has had success in providing for a fairly positive labour climate and the ability to improve productivity and reduce labour strife.

So on those grounds alone it deserves the attention of this House and of this government and I would hope the next time we have the opportunity to debate on a labour relations bill that we might have that particular concept to examine and perhaps move in some directions in a different way.

MR. SPEAKER: The Honourable Minister of Labour shall be closing debate.

MR. PAULLEY: If my honourable friend is finished, I would move, seconded by the Honourable the Minister of Mines, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The adjournment hour having arrived, the House is now adjourned and stands adjourned until 2:30 this afternoon.