

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, March 27, 1967

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions
 Reading and Receiving Petitions
 Presenting Reports by Standing and Special Committees
 Notices of Motion
 Introduction of Bills

HON. GURNEY EVANS (Provincial Treasurer) (Fort Rouge) introduced Bill No. 69, An Act to amend the Tobacco Tax Act.

MR. T.P. HILLHOUSE, Q.C. (Selkirk) introduced Bill No. 98, An Act to repeal The Shops Regulations Act.

MR. SPEAKER: Before we proceed, I would like to make a short announcement. I should like to inform the House that circumstances beyond our control make it necessary that the taking of the picture of the Assembly planned for tomorrow afternoon, Tuesday at 2:30 p.m., has been postponed to Thursday of this week at 2:30. I would appreciate word being passed along to any of the honourable members that are not present at the moment.

Committee of the Whole House.

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable Provincial Secretary, that Mr. Speaker do now leave the Chair and the House resolve itself into Committee of the Whole to consider the resolution standing on the Order Paper in my name.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into Committee of the Whole with the Honourable Member for Arthur in the Chair.

COMMITTEE OF THE WHOLE HOUSE

MR. EVANS: Mr. Chairman, His Honour the Lieutenant-Governor, having been informed of the subject matter of the proposed resolution, recommends it to the House.

MR. CHAIRMAN: Resolved that it is expedient to bring in a measure to amend The Revenue Act, 1964, to provide, among other matters, (a) for the removal of the tax imposed under that Act on the telephone service; and (b) for the rebate of part of the school taxes paid in respect of certain parcels of land in the province.

The Honourable the Provincial Treasurer.

MR. EVANS: Mr. Chairman, the purpose of removing the Telephone Service from The Revenue Act is to transfer it to the Sales Tax Act. Telephone Service is one of the electronic communication services that are to be taxed under The Revenue Tax Act. The rates are the same and it's considered that it's better to administer it as a part of the other electronic communication devices.

The provisions with respect to the school tax rebate are to cut off the present school tax rebate system as of the 1st of January, 1967, but allowing the rebates to continue to be paid with respect to the years 1965, 1966 and 1967, that is to say, even though someone has not yet either qualified for or received their rebate under the existing system, they will continue to receive those rebates.

The second provision is to institute a new method of tax rebate under which the municipalities will make a refund at the time the taxes are being paid in the municipal offices; and the third is to provide for the payment of school tax rebates in those areas which are not to be included within the unitary school systems that were decided in the recent vote. Those are the main provisions of the Bill.

MR. HILLHOUSE: I wonder if the Minister would permit a question. In connection with the -- you say it would be for the years 1965, 1966 and 1967. Now supposing there are arrears of taxes not paid by the end of 1967. Would the payer of these arrears of taxes, notwithstanding that the deadline is 1967, be entitled to the rebate?

MR. EVANS: The funds will continue to be provided for all tax rebates to which any taxpayer is entitled, and the Treasury is making provision to carry those funds forward and make them available when the taxpayer is entitled to the rebate.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, is it the intention of the government to pay a commission or a fee to the Secretary-Treasurers of the municipalities when they start deducting the tax rebate at the municipal office?

MR. EVANS: No, Mr. Chairman,

MR. SHOEMAKER: No commission whatever?

MR. SAUL CHERNIACK, Q.C. (St. John's): Mr. Chairman, I'm not clear on the Minister's statement about 1967, the applicability of the school tax rebate in 1967. I somehow skipped his explanation of that.

MR. SAUL MILLER (Seven Oaks): Mr. Chairman, the question I have is this: Will the rebate for the years 1965, 1966, and 1967 perhaps, will they be done directly by the Provincial Government or will provision be made to be deducted from the municipal tax bill?

MR. JACOB FROESE (Rhineland): Mr. Chairman, I'm not quite sure whether I got this correctly. Will the telephone tax that is presently being paid apply in all cases or will it be handled the same way under the new Act as it is presently being done?

MR. EVANS: I'm going to have to ask my honourable friend's pardon; I missed the question.

MR. FROESE: Mr. Chairman, the way I understood the Honourable Treasurer, the tax would just be transferred under the new Sales Tax Act. Is that right? And will it be collected on the same basis as heretofore?

MR. ELMAN GUTTORMSON (St. George): Mr. Chairman, did I understand the Minister correctly that anyone that's entitled to a tax rebate, there is no time limit to which he can collect it? I mean if he's in arrears of his taxes for five years, he can collect the rebate five years later. Is that correct?

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): I have one point I'd like to raise with the Minister. In connection with the removal of the tax on telephone services under The Revenue Act - and I understand that's to bring it into the Sales Tax - I'm wondering whether or not the Minister might give consideration to the same procedure being used in respect of The Tobacco Tax.

Now I appreciate the fact that there is a difference in the rates of tax at the present time. However, if The Tobacco Tax Act was abolished it would in effect reduce the amount of taxation. I appreciate this very much and it doesn't affect me personally as I'm sure it would the Honourable Provincial Treasurer, me being one of those characters at the present time that is not imbibing in cigarettes or tobacco, but I was wondering whether or not this might facilitate the processing of the collection of taxes. There wouldn't be the difference between the two taxes and it might be simpler to collect the tax if it was all under the present Act, providing of course that Act is approved by the Assembly; and then if I understand it correctly, it would bring about more uniformity insofar as the taxation on tobacco, as I understand it, between the provinces adjoining Manitoba. I'm wondering if the Minister has given any consideration to this.

MR. EVANS: Mr. Chairman, for the benefit of the Honourable Member from St. John's, I found in my notes the reference to the fact that any tax in 1967 would be -- I was referring to the fact that my notes contained the information that allowing rebates for school taxes paid in respect of 1965, 1966 and 1967 to continue to be made. As I stand here I'm not able to make a comment on the inclusion of 1967. I will obtain further information for my honourable friend and get it later on. The intention is merely to allow any taxpayer to have available to him the amount of rebate that will be due him when he pays his taxes under the old system.

MR. CHERNIACK:on this point, Mr. Chairman. I do want to make clear, the Minister has said that the rebates applicable for 1965 and 1966 will be continued - and I assume it will be continued - and I assume it will be continued until those taxes are either paid or the property is sold in tax sale - so conceivably they could be paid in 1968 or 1969. I want to make absolutely clear that it is not the intention to cut off the school tax, the 1965 and 1966 school tax rebate after 1967, as I also want to make it clear that my impression is that there is no provision for school tax rebates being made in 1967 in any case, but the Minister said he'd have to confirm that.

MR. EVANS: The intention is to carry forward sufficient funds in the Treasury and to make available to the taxpayer his rebate when he's entitled to it, which means at the time he pays his taxes, or presumably if the property goes into tax sale, that could be regarded as having paid the taxes, so that is that question.

Then I must draw his attention to the fact that provision is being made for the payment of rebates in the school divisions, or the properties in the areas which do not join the unitary school divisions. I also mentioned that point.

MR. CHERNIACK: That type of school rebate is going to the municipality to be rebated upon payment and there is certainly no intention to limit that to 1967, so that that would be continuing until the school districts either come under the larger school areas or until the government changes its policy in regard to taxation for those.

MR. EVANS: That is correct.

My honourable friend from Seven Oaks asked a question with respect to the 1965-1966 taxes being paid direct. They will be paid under the present system by cheque from the Treasury as in the past.

My honourable friend from Rhineland suggested with respect to the transfer of the telephones under the present Act -- did I gather that he was asking with respect to the desirability of doing so or the necessity for it?

MR. FROESE: I was asking whether there would be any change, any basis for a change or not.

MR. EVANS: There is no basis of change. The telephone service will be taxed the same as any other goods and it will be at the same rate that it is now taxed.

With respect to the time limit for rebates from my honourable friend from St. George, I think I answered that question in saying that we are proposing no time limits.

My honourable friend the Leader of the New Democratic Party asked why not transfer the tobacco tax under the sales tax as we have done in the case of telephones. I think that's because it's such a very different basis of taxation and we would simply have to transfer all the provisions of The Tobacco Tax Act under The Sales Tax Act and charge each class of tobacco its applicable rate. It's not a 5% tax on tobacco, it is more, and we think that administratively it is better to leave it where it is.

I might tell my honourable friend that there will be an integrated inspection and tax collection system however, under which the same person who does the inspecting under The Sales Tax Act will be doing the inspecting under The Tobacco Act, and so the same Bill will not be a waste or duplication of effort by sending two men to the same outlet.

MR. CHAIRMAN: Resolution be adopted? Committee rise. Call in the Speaker. Mr. Speaker, the Committee of the Whole has adopted a certain resolution, directed me to report the same and asks leave to sit again.

IN SESSION

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I beg to move, seconded by the Honourable Member from Springfield, that the report of the Committee be received.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. EVANS introduced Bill No. 94, an Act to Amend The Revenue Act, 1964.

MRS. CAROLYNE MORRISON (Pembina): Mr. Speaker, before the Orders of the Day, I would like to announce to you and to the Members of this House, a Dominion Curling Championship from the Sager rink skipped by Howard Sager from Morden. The rink composed of three Sager brothers and Jack Duncan won the Dominion Championship last week in the Elks Trophy Cup Competition. This is the third time in four years that the Sager rink has won this Dominion Championship. Thank you.

HON. STEWART E. McLEAN Q.C. (Provincial Secretary): Mr. Speaker, I would like to direct the Members' attention to the new flags which are above the clock. I am not certain that there will be such quick action on all suggestions made to the Department of Public Works, but, in due course, we will be glad to have privately any views that the Members would wish to express as to whether that seems to meet the situation.

The other matter is perhaps not quite so pleasant. I want to tell the Members that at 2:00 o'clock tomorrow afternoon, Tuesday, March 28th, the Second Battalion of the Canadian Guard is providing a 50-man Guard of Honour to be accompanied by the regimental band for a presentation ceremony by the Premier, the First Minister, on the front steps of the Legislative Building. In view of this it will be necessary to restrict parking at the front of the building on Tuesday until after the ceremony. The co-operation of all assigned parkers in this area is enlisted and we would ask those who have parking space in the front of the building if they would be good enough to use the Osborne Street access road for parking - that is tomorrow - and the Commissioner will be on duty to assist. We are sorry to have to ask this favour of the members but I am sure that we will find other parking and will try and work it out to the least inconvenience of all concerned.

MR. HILLHOUSE: I wonder what arrangements the Honourable Minister is making with those unauthorized parkers?

MR. PAULLEY: I wonder, Mr. Speaker, if the Honourable the Minister will guarantee to the Members that if it's necessary for them to park on Winnipeg streets and be subjected to time limitations, that the Provincial Treasurer would undertake to pay for the fines that may be incurred?

MR. MCLEAN: If he won't, I will.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I would like to compliment the Honourable Minister of Public Works on the speedy way he accepted the suggestion to display our provincial and national flags, and despite what he says, we on this side are still hopeful that he will accept other suggestions as speedily.

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, in commenting on the flags, I am happy to see them there but I wonder whether the Minister could consider having them pressed, especially before the sales tax on laundry and dry cleaning services.

MR. SHOEMAKER: Mr. Speaker, before the Orders of the Day are proceeded with, I would like to direct a question to my honourable friend the Minister of Welfare, and I am prompted to ask this in light of the several thousand notices that went out last week to the recipients of Social Allowance. Is it true that the government, the Manitoba Government is going to take away from the old age pensioners who were in receipt of Social Allowance from the Provincial Government the amount which the Ottawa government has decided to give them, additionally under the guaranteed income supplement as of May 1st, 1967.

HON. J.B. CARROLL (Minister of Welfare)(The Pas): Mr. Speaker, the Canada Assistance Act, under which the Province of Manitoba will be sharing all of our expenditures with the Government of Canada, requires that the guaranteed income supplement be taken in as income when considering allowances for citizens who qualify for that supplement.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): I would like to ask a subsequent question. It is correct then that someone who is presently receiving the \$30 from the Provincial Government, an old age pensioner receiving \$30 under the Social Allowances plan, if he gets that \$30 now from Ottawa will receive nothing from the province. The province will be reducing its contribution.

MR. CARROLL: A person who was getting a \$30 income supplement would also be getting Medicare and we don't propose to withdraw the Medicare provisions under The Social Allowances Act. However, we do have to comply with Ottawa's request that the income supplement be considered as income in computing needs, and the means by which an individual has of meeting his own requirements.

MR. SHOEMAKER: I'm allowed one further question I believe --(Interjection)-- two to follow up. The person that brought this notice into my office is presently in receipt of \$31.20 a month I believe. Will she or he get a cheque for \$1.20?-- They won't?

MR. CARROLL: No, Mr. Speaker, because at the time that the supplement takes effect, we are also adjusting our program. As I mentioned in the House, we are adjusting our food allowances and certain other allowances for recipients of Social Allowances, so I suspect there will be some increase that will apply to that person. He may get a cheque now for \$5.00 or possibly \$10 - something like that - something in that order.

MR. SHOEMAKER: One further question, Mr. Speaker, on the same subject matter. My honourable friend suggests then, does he not, that this whole idea of reducing the Social Allowance by the amount of the supplement is not his idea but strictly an idea of the Ottawa government. It wasn't his idea at all. This is what he is suggesting, that he recommended that it be done the other way.

MR. CARROLL: No, Mr. Chairman, I think the philosophy of The Social Allowances Act is to meet need. This has been recognized by the Federal Government and it has been built into their new Canada Assistance Plan. We think it is the right one, and of course we are going along with that regulation.

MR. LAURENT DESJARDINS (St. Boniface): Mr. Speaker, I don't quite follow my honourable friend. He says that Ottawa says that they have to mention this \$30, but then my friend said what if it's \$31.00, will you get a dollar for one dollar? The Minister said no, that this might be increased, it might be \$5.00. If we followed the suggestion of my friend it would be \$35.00 because the Minister is trying to have us believe that the Federal Government will not pay this, so it would be \$35.00 that the Provincial Government would pay, not \$5.00.

MR. DOERN: Mr. Speaker, before the Orders of the Day, I would like to direct a question to the Provincial Secretary, or whoever is responsible. There has been some comment made in the press about some problems arising between the Manitoba Theatre Centre and the new Centennial Complex. I was just wondering whether the Minister responsible would be making any clarifying statements in the House in this regard.

MR. MCLEAN: I think not, Mr. Chairman. That is a matter between the two bodies concerned.

MR. HILLHOUSE: Mr. Speaker, I wonder if the Honourable Minister of Welfare would permit a question. It is my understanding that under The Social Allowances Act, it is not confined only to people who are in receipt of Old Age Assistance or Old Age Security, so therefore your remarks then that you have made regarding the \$30.00 a month supplementary income only applies to those who are in receipt of Old Age Security, but what effect is this going to have on the Social Allowances that you are going to pay under The Social Allowances Act to people who are not in receipt of Old Age Assistance or Old Age Security?

MR. CARROLL: Mr. Speaker, the only effect it will have will be some saving with respect to the Old Age Security group, and I believe I mentioned this was really the source of funds from which we were going to increase our scale of grants to all Social Allowance recipients.

MR. HILLHOUSE: A supplementary question. Have you estimated the net amount of the saving to the province of the supplementary income?

MR. CARROLL: Yes, Mr. Speaker, that was an item which was read out in our estimates this year.

MR. HILLHOUSE: I've forgotten. How much was it?

MR. CARROLL: I haven't got them either, Mr. Speaker.

MR. FROESE: Mr. Speaker, I notice the Honourable the Minister of Health is not in his seat, however, maybe some of the other Ministers could reply. The question is: has the Health Unit in southern Manitoba that was to be established been completely established and finalized; and if so, what centres are included in this unit?

HON. DUFF ROBLIN (Premier)(Wolseley): Mr. Speaker, I think we had better take this question as notice.

MR. SHOEMAKER: Mr. Speaker, before the Orders of the Day, I would like to direct a question to my honourable friend the Minister of Agriculture. On Wednesday I believe of last week, I directed a question to him, but he was not in his seat, relative to Manitoba Crop Insurance. Did he get the question and can he give the answer now?

HON. HARRY J. ENNS (Minister of Agriculture and Conservation)(Rockwood-Iberville): Mr. Speaker, no, I did not get the question. If the question could be repeated to me, I'd be happy to take it as notice.

MR. SHOEMAKER: Well the question was briefly this: if I have a farm insured under the Crop Insurance plan at Neepawa and one at Morden insured and I suffered a loss on the one farm, would the acreage on both be taken into account at the time of a settlement? I put the question to the acting Minister too you will recall.

MR. ENNS: I'll take the question as notice, Mr. Speaker.

MR. MOLGAT: Mr. Speaker, I am not quite sure which Minister this should be addressed to. I thought possibly Tourism, but maybe it should be Industry and Commerce.

I am sure all Canadians were very pleased to learn that the 1970 Hockey Championships had been awarded to Canada and this would be an outstanding occasion for Manitoba of course, that being our own centennial. I wonder if the Manitoba Government has taken steps to see to it that the games do in fact come to the Province of Manitoba at that time. I notice that there was some possibility of other areas such as Vancouver being mentioned, but I think that in the light of our circumstances and the fact that the National Hockey team is not located here in the province, that we should take immediate steps.

MR. ROBLIN: Mr. Speaker, I was delighted to receive a telegram from Austria, from Vienna, informing me that Canada had been selected as the site for the 1970 games, and as far as we Manitobans are concerned this is particularly good news because 1970 happens to be the centennial of the creation of this province and would lend added interest, in my view, in having this international event held in the City of Winnipeg and in the Province of Manitoba.

Consequently, I have been in consultation with my colleague the Minister of Tourism and Recreation to request him to take those steps that he thought might be best designed to see to it that this hockey match, this contest, came to Winnipeg in 1970, and I am sure that in

(MR. ROBLIN cont'd)....due course my colleague will be able to announce to the House and to the province just what we're going to do as a provincial government to encourage the holding of these hockey championships in Winnipeg.

MR. SHOEMAKER: Mr. Speaker, before the Orders of the Day, I'd like to direct a question to my honourable friend the Minister of Public Utilities. I asked him the other day whether or not he would be prepared to supply the insurance agents and the insurance industry with a statement that he read into the records the other day, in fact an answer to the Free Press article, and I think that he undertook to do that for me. Can I be assured that I will receive copies of the statement? I could do the same thing by Hansard but they cost me 10 cents each. It's a lot better if I get a supply of statements as assured by the Minister.

MR. MCLEAN: I think, Mr. Speaker, this is a little unusual. For example, I don't know who the Honourable Member for Neepawa-Gladstone is talking about, but yes, I can supply him with some extra copies of the statement and I'll be happy to have him do with them whatever he likes. It's a matter of public record and it's not quite in order to

MR. DESJARDINS: Mr. Speaker, in following the First Minister's comment on the games for 1970, I'm sure that we all want to see this championship being held here and I'm sure also that there shouldn't be a partisan approach to this. I wonder if the First Minister, while he is discussing this with the Minister of Tourism, will remember that we have on this side of the House a man that is one of the vice-presidents - national vice-presidents of the CAHA. I'm sure that probably he could give help to the Minister and we should make this a non-partisan approach and we should really try to get the games for Manitoba in 1970.

MR. ROBLIN: Mr. Speaker, any time my honourable friend suggests a non-partisan approach to me I'm rather inclined to consider it; it's such a rare event.

ORDERS OF THE DAY

MR. SPEAKER: Address for papers.

MR. EVANS: I wonder if I could beg the indulgence of the House to help me with a problem that occurs at this time of year regularly and on which it has been customary to ask leave of the House to proceed. I refer to supplementary supply and interim supply, and if the House were inclined to grant me that permission I would propose now to proceed with those two measures.

MR. MOLGAT: Mr. Speaker, I wonder if I might enquire would it be the normal one month supply or

MR. EVANS: Mr. Speaker, if I may answer, one-tenth of the supply.

MR. PAULLEY: We would have no objection.

MR. EVANS: I want to say to my honourable friend, - I want to thank you.

Sir, I have a message from His Honour the Lieutenant-Governor.

MR. SPEAKER: The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba estimates of further sums required for the services of the Province for the fiscal year ending the 31st day of March, 1967, and recommends these estimates to the Legislative Assembly.

MR. EVANS: I move, seconded by the Honourable the Provincial Secretary, that the message of His Honour the Lieutenant-Governor and the estimates accompanying the same be referred to the Committee of Supply, and I will at the Committee of Supply introduce the interim supply estimates at the same time which do not require a message.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. EVANS: Mr. Speaker, I move, seconded by the Honourable the Provincial Secretary, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Arthur in the Chair.

COMMITTEE OF SUPPLY

MR. EVANS: I think, Mr. Chairman, if it met your wishes, we might just allow the Pages time to distribute the Bill which is now being distributed to the members.

MR. CHAIRMAN: Supplementary Supply Estimates, 1966-67. I - Legislation. 3 (a) Salaries, Comptroller-General.

MR. PAULLEY: I wonder, Mr. Chairman, if the Minister could indicate a breakdown of this insofar as salaries are concerned. Is it just for the Comptroller-General personally or is it for the other staff as well?

MR. EVANS: No, this amount is requested as a result of the following: The Comptroller-General's salary revision effective December 1st, 1966, for which funds were not budgeted. For several months during the current fiscal year there was an overlap of payments to the former Comptroller-General, Mr. Iliffe, who was at that time on retirement leave, and to the present incumbent, Mr. McFee, who at that time was acting Comptroller-General. No provision had been made in the budget for this double payment. According to the legislation, the Comptroller-General's salary must be approved by the House and accordingly there is no other means of raising the required additional funds.

MR. PAULLEY: Actually then it's because of the payment to the former Comptroller-General during his pre-retirement leave at the same time as the present Comptroller-General was filling in. Is that, generally speaking, it?

MR. EVANS: That is the main item. There is also the provision that the Comptroller-General's salary was revised upwards during the period but no provision had been made for it, or indeed could be made for it, except by the House.

MR. CHAIRMAN: (a)--passed; (b)--passed; Number XI - Municipal Affairs. 7 (c) --

MR. MOLGAT: Mr. Chairman, I wonder if the Minister could explain this figure and could give us what the total figure is for the period.

MR. EVANS: I shall begin by explaining this figure. It's the amounts required to cover the provincial share of winter works projects in Northern Manitoba which have been approved by the Commissioner for Northern Affairs. These projects were not included in the 1966-67 budget because claims are not known until the work has been performed and audited. The winter works appropriation was based on prior years' experience. Therefore, Northern Manitoba being a new area, and 1966-67 being the first year for the Commissioner, these northern projects were excluded when setting the 1966-67 budget. If this item is not approved it means that some 44 indigents will return to the welfare roll for social assistance at a cost of 50 percent to the provincial treasury. My honourable friend asks the total amount which was in the estimates last year then, as I understand it.

MR. MOLGAT: Yes, I'm curious about this. What is the total amount that we are spending on the winter works program?

MR. FROESE: Before the Minister answers, did I understand correctly that the amount of \$200,000 is mostly for Northern Manitoba?

MR. EVANS: Yes, Mr. Chairman. I shall try to provide this additional information as I can. The amount in the estimates for last year for the fiscal year ending March 31st, 1967, Item 7 (c) under the title Municipal Winter Works Incentive Program - \$150,000. The total then would be the sum of the two or \$350,000.

MR. MOLGAT: Mr. Chairman,figure in the original appropriation in total. The reason I ask the question, Mr. Chairman, is that I've had a number of complaints on the winter works program. It is my understanding that there is very little unemployment in the Province of Manitoba and the question then arises: well why do you have to have a special winter works project for unemployment purposes when there is no unemployment, when in fact I'm told in certain areas there's a shortage of labour, that we do not have sufficient staff to conduct the work that needs to be done in the province. When the Minister of Industry and Commerce is going to Europe to recruit new labour for the Province of Manitoba, he wishes the Federal Government to change their rules insofar as immigration so that we may bring in people with lesser education qualifications, and yet on the other hand another department is proceeding to spend money in this way. It seems that there is a difference in attitude here.

Now I've also had complaints insofar as some of the type of work undertaken under the winter works program, that it has resulted in inefficient operation. I'm told that in certain areas, for example, a good deal of brush-cutting has gone on along the sides of roads, and that doing it at this time of year with snowbanks four and five feet deep is an almost impossible operation, that it doesn't end up by having a satisfactory job done, from the work standpoint quite obviously, and is not the type of program in which we should be involved. These are the complaints that come to me. I have no means of verifying each case, how accurate they are. I must confess that I have seen crews working under some very difficult conditions during the course of the winter and I wondered whether or not we were making the best use of the money that we could.

MR. EVANS: Mr. Chairman, it seems to me that this appropriation is a bit like forest fire-fighting. You provide something in advance but you don't know how many forest fires there are going to be and so the balance of the funds has to be provided. The money in this case was used for a pocket of unemployment that happened to be in the north even though general employment conditions were very -- while there was full employment in general, there was this pocket of unemployment to be taken care of, and with respect to doing it in the winter time, you have to provide the assistance of this kind at the time people are unemployed, not at other times.

MR. MILLER: Mr. Chairman, isn't it a fact that this particular amount applied only to those in Manitoba who were unemployed and who were drawing assistance under -- or unemployment insurance assistance, and that no municipality could qualify unless they used that type of employee. So actually we're dealing with people who were unemployed. Is that not so?

MR. EVANS: Mr. Chairman, I am informed that that is correct.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Chairman, I was going to ask the Minister, just for purposes of comparison, if he could tell us if all of the \$150,000 that were appropriated in the regular estimates has been spent, or approximately all.

MR. EVANS: Yes, Mr. Chairman, I think that follows from the fact that the additional sum was required in the same appropriation, and I'm informed by the Minister of Municipal Affairs that all of the \$150,000 was in fact spent. --(Interjection) - It is estimated to be sufficient to the end of this month.

MR. CHAIRMAN: Resolution be adopted? Committee rise.

MR. EVANS: Mr. Chairman, I wonder if at this stage it would be appropriate now to consider the interim supply.

MR. CHAIRMAN: Resolved that a sum of money not exceeding \$33,921,353, being one-tenth of the amount of the several items to be voted for departments as set forth in the main estimates for the fiscal year ending the 31st day of March, 1968, laid before the House at the present Session of the Legislature, be granted to Her Majesty for the fiscal year ending the 31st day of March, 1968.

MR. FROESE: Mr. Chairman, if I understand correctly, the estimates total 354 million and I think you mentioned one-tenth as being 33 million?

MR. EVANS: Mr. Chairman, explained it as follows: The total funds to be voted are made up in two parts, of which \$15,364,331 is statutory as follows: Indemnities for the Members - \$278,400; and Service of the Public Debt - \$15,085,931. Those two sums together, the 339 and the 15-odd then come to \$354,577,861.

MR. PAULLEY: May I ask whether the 33 million includes -- as I understand, the estimates now include - in sum total - include payments from Ottawa in respect of certain undertakings. We used to have that added. Now is this \$33 million referred to in the interim supply, does it include amounts from Ottawa or is this solely provincially raised money?

MR. EVANS: I think, Mr. Chairman, we have finally got all our accounts what they call "grossed". That is to say, the amounts from whatever source are all added into the estimates and the gross amounts shown in the estimates to be expended, and then the budget shows the revenues and where they came from.

MR. PAULLEY: Will the 33 million that we're having for the tenth of the year include contributions from Ottawa of a tenth of the annual contributions from that source as well?

MR. EVANS: I can't tell my honourable friend whether they have in actual fact been paid to us yet, or in cash as it were. This is authority to spend, and if we have the authority to spend and the assurance that the Ottawa share is coming, then we do so with confidence.

MR. CHAIRMAN: Resolution be adopted? Committee rise. Call in the Speaker.

Mr. Speaker, the Committee of Supply has adopted certain resolutions, directed me to report the same and asks leave to sit again.

IN SESSION

MR. WATT: Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, that the report of the Committee be received.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable Provincial Secretary, that the resolutions reported from the Committee of Supply be now read a second time and concurred in.

MR. SPEAKER presented the motion.

MR. CLERK: Supplementary Supply. (1) Resolved there be granted to Her Majesty a further sum not exceeding \$5,200.00 for Legislation - Comptroller-General: Salaries, Comptroller-General - \$3,200.00; Supplies, Expenses, Equipment and Renewals - \$200.00; Total - \$5,200.00.

MR. EVANS: Mr. Speaker, I wonder if perhaps the record - I wonder if I did hear correctly, if the Clerk read out \$200.00. The figure I had here was \$2,000.00.

MR. CLERK: Sorry, \$2,000.00. Total \$5,200.00 for the fiscal year ending the 31st day of March, 1967.

(2) Resolved there be granted to Her Majesty a further sum not exceeding \$200,000.00 for Municipal Affairs - Municipal Budget and Finance, Municipal Winter Works Incentive Programmes - \$200,000, for the fiscal year ending the 31st day of March, 1967.

Interim Supply: Resolved that a sum not exceeding \$33,921,353, being one-tenth of the amount of the several items to be voted for departments as set forth in the main estimates for the fiscal year ending the 31st day of March, 1968, laid before the House at the present Session of the Legislature, be granted to Her Majesty for the fiscal year ending the 31st day of March, 1968.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. EVANS: I beg to move, seconded by the Honourable the Provincial Secretary, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of Ways and Means for raising of the supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into Committee of Ways and Means with the Honourable Member for Arthur in the Chair.

COMMITTEE OF WAYS AND MEANS

MR. CHAIRMAN: Resolved that towards making good certain further sums of money granted to Her Majesty for the public service of the province for the fiscal year ending the 31st day of March, 1967, the sum of \$205,200 be granted out of the Consolidated Fund.

MR. CHAIRMAN put the question and after a voice vote declared the motion carried.

MR. CHAIRMAN: Interim Supply. Committee of Ways and Means. Resolved that towards making good the supply granted to Her Majesty on account of certain expenses of public service for the fiscal year ending the 31st day of March, 1968, the sum of \$33,921,353, being one-tenth of the amount of the several items voted for departments as set forth in the main estimates for the fiscal year ending the 31st day of March, 1968, laid before the House at the present Session of the Legislature, be granted out of the Consolidated Fund.

MR. CHAIRMAN put the question and after a voice vote declared the motion carried.

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

Mr. Speaker, the Committee of Ways and Means has adopted certain resolutions, directed me to report the same and asks leave to sit again.

IN SESSION

MR. WATT: Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, that the report of the Committee be received.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Provincial Secretary, that the resolutions reported from the Committee of Ways and Means be now read a second time and concurred in.

MR. SPEAKER presented the motion.

MR. CLERK: Resolved that towards making good certain further sums of money granted to Her Majesty for the public service of the province for the fiscal year ending the 31st day of March, 1967, the sum of \$205,200 be granted out of the Consolidated Fund.

Interim Supply. Resolved that towards making good the supply granted to Her Majesty on account of certain expenses of public service for the fiscal year ending the 31st day of March, 1968, the sum of \$33,921,353, being one-tenth of the amount of the several items voted for departments as set forth in the main estimates for the fiscal year ending 31st day of March, 1968, laid before the House at the present Session of the Legislature, be granted out of the Consolidated Fund.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. EVANS introduced Bill No. 91, An Act for granting to Her Majesty certain sums of money for the public service of the province for the fiscal year ending the 31st day of March, 1968; and Bill No. 92, An Act for 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, 1967.

MR. EVANS: Mr. Speaker, the pages will be distributing the Bills and I think that should be completed before I move the motion for second reading.

MR. EVANS, by leave, presented Bill 91, An Act for granting to Her Majesty certain sums of money for the public service of the province for the fiscal year ending the 31st day of March, 1968, for second reading.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. EVANS, by leave, presented Bill 92, An Act for 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, 1967, for second reading.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. EVANS: Mr. Speaker, I beg to move that, by leave, Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider Bills No. 91 and 92.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole with the honourable member for Arthur in the Chair.

COMMITTEE OF THE WHOLE HOUSE

MR. PAULLEY: Let us hold off until all of the Members of the House are in possession of the Bills. They should have had them of course before giving leave.

MR. CHAIRMAN: (Bill No. 92 was read section by section and passed.) Bill No. 91, Section (1)--

MR. LEONARD A. BARKMAN (Carillon): Mr. Chairman, I don't want to hold up the committee but I guess we will be getting those other bills even if -- are they here now?

MR. CHAIRMAN: (The remainder of Bill No. 91 was read section by section and passed.

MR. FROESE: Is it the intention of the government to have these assented to immediately?

MR. ROBLIN: Sometime before the end of the month, Mr. Chairman.

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

Mr. Speaker, the Committee of the Whole has considered Bills Nos. 91 and 92, directed me to report the same and asks leave to sit again.

IN SESSION

MR. WATT: Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, that the report of the Committee be received.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, BILLS No. 91 and 92, be leave, were read a third time and passed.

MR. EVANS: Mr. Speaker, I wish to thank the House for its co-operation.

MR. SPEAKER: Orders of the Day. Address for Papers.

MR. BEN HANUSCHAK (Burrows): Mr. Speaker, I wish to move, seconded by the Honourable Member for Kildonan, that an Humble Address be voted to His Honour the Lieutenant-Governor praying for a copy of that ARDA agreement or agreements between the Government of Manitoba and the Government of Canada containing provisions in any way dealing with the matter of public school education in those school divisions of Manitoba not included in the March 10, 1967 referendum by reason of the existence of the said agreement.

MR. SPEAKER presented the motion.

MR. ROBLIN: Mr. Speaker, it strikes me that this is the same question that has already been asked and accepted with respect to ARDA papers, and if it is or whether it is not, we'll accept it on the same terms and conditions that we accepted the previous one, namely, items that are still under negotiation will not be produced and also the consent of the other government concerned.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. SPEAKER: Orders for Return.

MR. MOLGAT: Mr. Speaker, I beg to move, seconded by the Honourable the Member for Lakeside, THAT an Order of the House do issue for a Return showing:

1. The names of all advertising or public relations firms who have been employed or retained by the Manitoba Government relative to the Sales Tax, Education Tax or Revenue Tax.
2. The date on which they were employed or retained.
3. The basis of remuneration on which they were employed or retained.
4. The names of the firms, corporations or individuals who were invited to tender, bid or submit creative ideas to advertise this tax.
5. The names of the firms, corporations or individuals who did submit tenders, bids or creative ideas.
6. The total amount the government intends to spend on this advertising campaign.

MR. SPEAKER presented the motion.

MR. MOLGAT: Mr. Speaker, on Monday of last week I asked the Provincial Treasurer before the Orders of the Day if it was correct that the government had employed a firm of public relations or advertising people to sell the sales tax to the people of Manitoba. The Minister replied, "We are receiving assistance from an advertising agency in preparing our advertising". I asked a further question of the Provincial Treasurer and he suggested to me that if I wanted further information I should submit an Order for Return. I am now submitting this Order for Return, but, Mr. Speaker, I find this a most unusual step on the part of the government. It is unbelievable to me that the government is now undertaking to pay out tax money to advertise a tax, and yet this appears to be what the government is intent on doing according to the reply that the Minister gave me in the House the other day.

Mr. Speaker, we heard a speech from the Attorney-General the other day telling us why this Bill should not be referred to committee. No need for it to go to committee at all according to the Attorney-General. It has been talked about for eight years, he claimed, by the members of my group and everybody in Manitoba knew about it, and there would be no advantage whatever in sending it out to this committee. He gave all the reasons in the world why this shouldn't be done, and yet, Mr. Speaker, is there a better way of informing the people of Manitoba than to send this Bill out to a committee to have a discussion there, to have the people who have some recommendations to make to us appear before us, and I am positive that we will get all the free advertising that we require from the gentlemen of the various press media because they are there at all our committee hearings. They report exactly what goes on; they report the questions that are asked and the information would be disseminated amongst the people of Manitoba at no charge whatever, at no cost whatever to the people of this province.

But apparently, Mr. Speaker, that isn't the intention of the government because the Attorney-General, who is also Leader of the House, announced that they were not going to support the motion that appears on a later debate, my amendment referring it to this committee. They are not prepared to do that. There will be no open debate outside of this House; there will be no opportunity for individuals to present their points of view, but the government is going to turn around, hire an advertising agency to go around and tell the people of Manitoba what the sales tax is all about.

Mr. Speaker, it is preposterous; it's an unbelievable action by a government; it's a sheer waste of money. They talk about spending money and whenever we say to them, here are some places you can save, they pooh pooh it. Mr. Speaker, here is a place where they can save money of the taxpayers, and not only save money of the taxpayers, Mr. Speaker, but save insult to the taxpayers of this province because that's exactly what they are doing by this course of action, just a straight insult to the intelligence of the people of Manitoba, to think that they have the opportunity to have an open debate on this, they are turning it down but they are now going to proceed to tax the taxpayers to tell them what the tax is all about.

Mr. Speaker, I beg the government to change its technique, to accept an outside debate, to give the people the information and they won't need this sort of an advertising campaign.

MR. RODNEY S. CLEMENT (Birtle-Russell): Mr. Speaker, I move, seconded by the Honourable Member from Gladstone, that the debate be adjourned.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Order for Return. The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Speaker, I wish to move, seconded by the Honourable Member for Kildonan, THAT an Order of the House do issue for a Return showing:

(MR. HANUSCHAK cont'd).....

1. The legal description of each parcel of land included in the items shown as Work Order Nos. 3697 and 3769 in the 1965-66 Annual Report of the Department of Highways.
2. The cost of acquisition of each parcel of land referred to in (1) above.
3. The legal description of parcels of land acquired in (1) above and subsequently sold by the Province of Manitoba.
4. The price received by the Province of Manitoba for the parcels of land referred to in (3) above.
5. The legal description of parcels of land acquired and presently owned by the Province of Manitoba in (1) above, but which will not be used for highway or road right-of-way.

MR. SPEAKER presented the motion.

MR. HANUSCHAK: Mr. Speaker, this Order for Return is pursuant to a question that I had put to the Honourable Minister of Highways in the course of debate on the Department of Highways estimates. I had noted a number of items and, amongst those, the two referred to in this Order for Return listing the expropriations of land for the construction of highways in Manitoba. The first one that I have referred to, as it is described in the Department of Highways Report - it's very brief - it simply says: purchase of right-of-way Gonor and Provincial Trunk Highway No. 4. This is with reference to Highway 59 for the price of \$117,000. Now according to the description it appears that it may have been the property for the intersection of 59 and 4, but this I do not know and I would hope that the Order for Return will clarify this matter to me and to other members of the House.

The second one is a similar item, some distance south along the highway near the City of St. Boniface. And secondly, it is my hope that the information contained in this Return will indicate to the House as to whether the figures shown in the Report are the net cost to the province or whether this represents the figures paid by the province subject of course to recovering some of those monies by the sale of the excess land that will not in fact be used for highway building purposes.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. SPEAKER: Order for Return. The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Speaker, I wish to move, seconded by the Honourable Member for Kildonan, THAT an Order of the House do issue for a Return showing:

1. A copy of the collective agreement entered into between the Manitoba Hydro and the Allied Hydro Council with respect to the Kettle Generating Station project.
2. The names of all parties represented by the Allied Hydro Council at the commencement of negotiations of the above collective agreement.
3. Did the Allied Hydro Council represent the same parties at the time of the signing of the collective agreement that it did at the commencement of negotiations?
4. If the answer to (3) above is in the negative, copies of correspondence between the Manitoba Hydro and any other party dealing with the matter of change in the composition of the Allied Hydro Council.

MR. SPEAKER presented the motion.

MR. HANUSCHAK: Mr. Speaker, just a word of explanation with respect to this Order for Return. The Allied Hydro Council, as I understand, is the group that bargains with the Manitoba Hydro on behalf of other unions involved in the Kettle Generating Station construction project, and this Order asks whether the parties represented by the Hydro Council at the time of the signing of the agreement were the same as those represented by the Hydro Council at the time that negotiations commenced.

Now some may feel that it is not the Manitoba Hydro's responsibility to enquire into the make-up or the composition of the Allied Hydro Council, but surely, Mr. Speaker, the employer, in this event being the Manitoba Hydro, is interested in knowing who he is bargaining with. Just because it happens to be an organization acting -- or a group calling itself an organization acting on behalf of another group of organizations doesn't necessarily mean that the employer is not going to go beyond that and in fact wish to know whom this organization does actually represent, and if there should be any change in the make-up of the organization of one of the parties to the collective negotiations, the collective bargaining, then surely the employer would call for some evidence to indicate that whatever change may have come about, if any, was done with notice and consent of all the parties that went into the make-up of the Allied Hydro Council.

MR. MCLEAN: Mr. Speaker, subject to what I just want to say briefly, we have no objection to accepting this Order and we will be happy to comply with the provisions of the Order

(MR. McLEAN cont'd)....with the information which is in the hands and within the knowledge of Manitoba Hydro. I would alert members of the House, however, that it may well be that the Manitoba Hydro will not be aware of any changes with respect of the Allied Hydro Council, and whatever one may say as to the desirability of them knowing or not knowing, I am of the opinion that the situation will be found that they were not and are not particularly aware of any changes that may - if any - that may have occurred. All that I can undertake to do, however, is to table in response to this Order the information that is within the knowledge of the Manitoba Hydro.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. ROBLIN: Mr. Speaker, I request you now to call Bill No. 56, and when that has been disposed of I propose to proceed to the Committee of Supply.

MR. SPEAKER: Proposed motion of the Honourable the Provincial Treasurer, Bill No. 56, and the proposed motion of the Honourable the Leader of the Opposition in amendment thereto standing in my name.

At the last sitting of the House on Thursday the 23rd of March, it will be recalled that the Order of the Day having been read with respect to the adjourned debate of the proposed motion of the Honourable the Provincial Treasurer - that being Bill 56 - and the proposed amendment of the Leader of the Opposition in amendment thereto which reads as follows: On the proposed motion of the Honourable the Provincial Treasurer that Bill 56, an Act to provide for the Imposition of a Tax on Purchases of Tangible Personal Property and Certain Services, be now read a second time; and the proposed motion of the Honourable Leader of the Opposition in amendment thereto is as follows: That the motion be amended by striking out all of the words after "that" in the first line thereof and substituting therefor the following: "In the opinion of the House, having regard to the public interest in this question of taxation, having regard to the serious effect that this taxation can have on the development and future of our province, and having regard for the need for the full disclosure of the potential impact of such taxation, that 1. The regulations for Bill No. 56 be immediately made public; 2. Bill 56 should be referred to the Standing Committee of Law Amendments for consideration and report after full opportunity has been given for the public to make representations thereon. And the Honourable Member for Logan having spoken, the Honourable Leader of the Opposition rose in his seat to close the debate on his amendment to the second reading of Bill 56.

At that time I informed the House I would take the matter under consideration as to the admissibility of the Honourable Leader of the Opposition to reply or close the debate of his own amendment. Our Rule 46 (1) which deals with replies is very clear and states in part as follows: "46 (1) Subject to sub-rule (2), a member who has moved a substantive motion or the second reading of a Bill may reply but not a member who has moved an Order of the Day (not being the second reading of a Bill), any amendment, the previous question, an adjournment during a debate, or an instruction to a Committee.

In my opinion, the Honourable Leader of the Opposition has spoken on the main motion and also on the amendment in that he moved the said amendment. We are dealing at the present time with an amendment and not a substantive motion. With this in mind, reference was made to Beauchesne's Parliamentary Rules and Forms, Fourth Edition, Citation 165 - (9). The mover and seconder of the amendment, having spoken to the main question, cannot speak again to it. The same rule applies of course to the case of an amendment to an amendment. The mover and seconder of an amendment are not penalized as compared with other members because they speak both to the main question and the amendment which they are moving and seconding in one speech. In view of the contents of our Rule 46 and the supporting authority of Beauchesne, I must rule that the Leader of the Opposition has exhausted his right to speak on his own amendment and the main motion.

MR. SPEAKER put the question and after a voice vote declared the motion lost.

MR. MOLGAT: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

A standing vote was taken, the result being as follows:

YEAS: Messrs. Barkman, Campbell, Cherniack, Clement, Dawson, Desjardins, Dow, Doern, Fox, Froese, Green, Guttormson, Hanuschak, Harris, Hillhouse, Miller, Molgat, Patrick, Paultay, Petursson, Shoemaker, Tanchak, Uskiw, Vielfaure.

NAYS: Messrs. Baizley, Beard, Bjornson, Carroll, Cowan, Craik, Einarson, Enns, Evans, Hamilton, Jeannotte, Johnson, Klym, Lissaman, McGregor, McKellar, McKenzie, McLean, Masniuk, Roblin, Shewman, Spivak, Stanes, Steen, Watt, Weir, Witney, and Mesdames Forbes and Morrison.

MR. CLERK: Yeas, 24; Nays, 29.

MR. SPEAKER: I declare the amendment lost. Are you ready for the question on the main motion?

MR. CHERNIACK: Mr. Speaker, we've had quite a bit of discussion on this Bill. I'm sure there's a great deal more to be said and I'm sure there's a great deal more of reflection that we all ought to be giving to the Bill. Nevertheless, we have now reached the stage of rejecting the amendment which had been proposed by the Honourable the Leader of the Official Opposition and we now have to look at the principle in the Bill itself.

I do not intend to rehash and review all the items which we have already discussed. I do want to report to the House on a couple of incidents which occurred which indicate the reaction of people to this Bill. One is a phone call I received about a week ago from a woman who was in tears and who stated to me that her husband had come home and said he is leaving the province because he feels that this is the straw that broke the back of the problem that he had in this province. That to me was a rather odd approach to this problem and I urged her to stay and make sure that she uses her influence and that of her husband to vote out this government, but they had a defeatist attitude about it and she said: Well, job opportunities were better elsewhere. This tax was an imposition which was so wrong that she was leaving the province.

I'm not presenting this as an argument for either side to consider in deciding on whether or not to approve this Bill, but it's a coincidence that a few days ago I had the opportunity to interview, in my professional capacity, a family that announced that it was moving to Manitoba - and I assume the Minister of Industry and Commerce and others would be pleased to know of a family which is moving to Manitoba - moving from a state in the United States of America and saying that now that Manitoba has instituted the sales tax, they are moving from a state where there is a progressive form of taxation into a province where they are now assured of at least a proportionate form of taxation, but even tending towards a regressive form of taxation. This was a family of means, a family which was concerned with the imposition of taxation on the higher income brackets, and Manitoba has now become attractive to them because of the indication of going in for a near-regressive form of taxation rather than the progressive form which they denounced. That's an interesting comment, I think, of how this form of taxation is looked on by some people. Again, I don't consider the motivation behind it.

Now as to the Bill itself, we've had a great deal of comment about details of it, but I want to stress a third phone call which I received from a young lady who is an employee of one of the department stores in Winnipeg and who is planning on getting married soon and leaving her job, and she has arranged with the department store for the purchase of all the furniture that they plan for setting up their new home. She bought it at a discount as a sales person, as an employee is entitled to do, and the firm was considerate enough to permit that the furniture be stored on the firm's premises until this newly married couple will acquire a new home and will then be able to have the furniture delivered to the new home. They haven't yet found the home and she is desperately concerned about whether she has to rush out and buy a home now in order to take delivery before the crucial date, because the Act now reads that the tax will be applied on all goods which have not been delivered as of that date, and she is in the dilemma now of taking delivery and finding a place to store her goods or not taking delivery and having to pay a tax. I told her she should write a letter to the Minister and no doubt he would clarify the situation to her.

He's nodding his head so I'm hoping that not only will he clarify it to her, but he will clarify it to us. If it means that he will pass regulations to take care of it, then I for one deplore it because we've already dealt with the whole principle of regulations where the exception will possibly become the rule and where the discretion of the Minister will be applied in individual cases rather than on principle. We've mentioned this question of delivery date and the example I've brought is a pretty valid and proper one to bring to the attention of the House.

There is one feature of this Bill about which I spoke and which other members of this side of the House spoke, and we have heard no comment from the government side of the House; indeed I think it's fair to say we've heard hardly any comment at all from the other side of the House on this Bill and it is something that we all deplore, but naturally we realize that this Bill has so little to say in its favour that the government supporters, who are forced to vote as they do, can't find the courage or the knowledge or general justification for the Bill and therefore they've avoided speaking on it.

(MR. CHERNIACK cont'd).....

Again, I repeat the challenges that have come from this side of the House to all these people on the Conservative benches and especially the backbench who make up about half of the total Conservative party - I think the backbench is slightly less than half - to get up and say this is a proper thing. I don't even want them to say it's a good tax. I want to hear them justify it. But I'm not consulted when they decide who speaks and certainly not when they decide who does not speak, but I presume they will not speak. But I'd like to at least ask someone on that side of the House to justify the imposition of a tax on the interest and carrying charges on items that are bought. I'd like to hear someone get up and say, "If you buy for cash for \$100.00 you pay \$5.00 tax; and if you buy on time and the time costs you another \$10.00 so the total cost is \$110.00, then you pay \$5.50 tax." I'd like to hear someone try and justify it because I think that this is clearly a taxation on those who do not have the ability to pay in cash, and that is a discriminatory aspect where the government is actually expecting revenue, expecting money on the cost of financing. It's not a commodity and it's not a service, but this government and the drafters of it have actually decided that they were going to charge someone for the cost of financing a purchase. I'd very much like to hear someone on that side - anyone on that side - justify this in some way and say this is reasonable, this is fair, this is proper.

Of course one would hope that somebody on that side would get up and say this is wrong and when we get into committee we'll change it. Possibly they'll do that; possibly they'll change it or even possibly they'll say so, but after all the time that this government had in drafting this Bill, this went in and it's a matter of principle that must have been accepted and studied. If it slipped in, it's inexcusable; if it was put in intentionally, it's reprehensible; and I certainly would like to repeat the challenge that if you don't have the courage to speak on the Bill itself, at least show the courage to justify this one point, namely, the charge on the financing costs of a purchase on time.

Well, Mr. Speaker, when members of our group spoke on this Bill we pointed out certain deficiencies, certain inconsistencies. We made what I believe were constructive criticisms about a number of features of the Bill, features that we thought were wrong and should be corrected, but it should not have been assumed by anyone that in making constructive criticism that we in any way back down from our basic position and that is total opposition to this sales tax Bill. The fact that we felt that as responsible legislators we had to point out various inconsistencies and make suggestions for improving it, according to their standards, does not mean that we accepted the principle in any way. We deny the principle; we oppose the principle and we oppose the Bill. In making the suggestions that we did, we only thought that we ought to help the government at least patch up what was a pretty bad mess to start with.

In opposing the Bill we had a number of arguments which I will not repeat in any detail. We said that there were alternative and more progressive forms of taxation, of providing revenue for those needs, some of which we agree with. We said that we wanted to see an increase in natural resource revenue and return to the people of Manitoba. We said that we saw justification in a Capital Gains tax, and the Carter Commission seems to support that. We said that we saw justification in increased personal and corporation income tax, and I think that those who listened to and paid attention to the resume on that score, that was presented to this House by the Honourable the Member for Inkster, will realize that we spoke with good justification on that score. So that we did, as compared with our friends on the right of us, the Liberal Party, we did recognize that there were needs for increased revenue; we did suggest alternative methods in a responsible fashion, methods which have proven to be acceptable in other jurisdictions and with which I think the Carter Commission itself would not quarrel.

And we said that in any event the sales tax now proposed was an untimely tax. We pointed out that the Carter Report was imminent, and indeed it is here now; and even listening to the Minister of Finance the Hon. Mitchell Sharp recently, he said he was studying it, that he would not care to promise a reaction to it until towards the end of this year - and that's not two years and it's not three years; that is within a year, I would think, that there will be a considerable study and considerable thought given to the Carter Commission Report with possible and probable beneficial results for the tax structure of this province. We said, "Let us wait," and we said - and so did, I think, the Honourable the Leader of the Official Opposition say - that we didn't know as yet just what the contributions would be from the Federal Government under this educational program, and we said that until it was known we could not properly deal with the question of the amounts and the methods of additional taxation, and we said, "Let us wait and see."

As a matter of fact, there's another matter that has come up since our last discussion,

March 27, 1967

(MR. CHERNIACK, cont'd) and that is the fact that the government will now not be providing certain sums of money for the 19 school divisions which rejected the proposal for the larger school areas, and as was indicated by the Minister of Education and by the First Minister, there would be less provided for these school divisions than there would have been in the event that they had accepted the larger school areas, so that we, in suggesting that it was untimely, not knowing at that time how badly that school program would fare, indicated that we thought that there was valid justification for borrowing in order to buy the time, to reflect, re-assess and examine what the needs and methods should be for next year. I think I have already pointed out that the Conservative Government of the Province of Ontario found it possible to budget for a deficit, I think it was about \$169 million, and what is involved here is some \$30-odd million for this coming year. So we suggested then that it was untimely; we certainly did more than suggest that it was wrong; and we think it is not too late for the government to reconsider, to review and change its mind, and we want to give it that opportunity so to do. As a matter of fact, as I look about the room and see that the Honourable Member for Souris-Lansdowne is here, I should think that he would appreciate an opportunity to put this Bill off, to let him bring forth his resolution on the cancellation of the federal tax on building materials, because if he does well with that - and one would hope that he will have the support of his own group and I would guess that he's pretty sure of the support of the members on this side of the House - that if he gets the support of only a few members from his own group to that resolution, then he would no doubt oppose the portion of this Bill which involves the imposition of a sales tax on building materials by the province, so that again I think that we can get the support of the Honourable Member for Souris-Lansdowne in our proposal that we don't rush into this, that we let it stand and study it and reflect about what can yet be done before it becomes too late and before we have a sales tax which will be onerous, inequitable and harsh in its imposition on so many of the people of this province. For that reason, Mr. Speaker, I beg to move, seconded by the Honourable Member for Logan, that the motion be amended by deleting all the words after the word "that" and that the following be substituted: "Bill No. 56 be not now read a second time but be read six months hence."

MR. SPEAKER presented the motion.

MR. MOLGAT: Mr. Speaker, I beg to move, seconded by the Honourable the Member for Lakeside, that the debate be adjourned.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

..... continued on next page

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Labour, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Arthur in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Department IX - Labour.

MR. ROBLIN: Mr. Chairman, may I remind you that the Mace is still on the table. Perhaps it could be removed. I to say there is no extra pay for that particular

MR. MOLGAT: in case of injury, though.

MR. ROBLIN: No this isn't covered.

MR. SIDNEY GREEN (Inkster): Mr. Chairman, in rising to discuss the Minister's salary in the Estimates of the Department of Labour, I would like to say that I don't feel that there has been a lack of discussion on labour matters in the House since we first met. There have been several resolutions dealing with labour on which I think that some of the matters that ordinarily would be dealt with on estimates have been thoroughly discussed, and in saying this, Mr. Chairman, I would like to indicate that there are some issues, some of the most important issues in the labour area, that I won't be talking about now during the discussion on the Minister's salary because they are dealt with in the resolutions, and I don't want the Minister to expect that I don't think that these are important matters merely because I am not discussing the, particularly the issues relating to the use of injunctions in labour disputes, which I think are being well discussed and getting a thorough airing during some of the discussion on resolutions presently before the House.

I would like to say, Mr. Speaker, at the outset that I would like to commend the Minister personally for the interest which he has shown in labour matters since assuming his present position, and over the years, both in the House and without the House, I feel that I have personally established a very good relationship with the Honourable the Minister of Labour. I know that we have disagreed on many many subjects and we haven't hesitated to let each other know when we do disagree with one another, and I think that that's partly the strength of our relationship that we have no hesitation in telling each other how we feel about various matters affecting his department; I hope that we can continue in this way and still maintain what I have always felt to be a very amiable and solid relationship.

In commanding the Minister I would also like to commend the leg men in his department, from the Deputy Minister down, each of whom I feel is doing a sincere and energetic job in working in that department. I, of course, feel that many of the problems that they have to work out are problems which arise from the inadequacy of some of the existing labour laws and I feel that their jobs could be made much easier if some of the suggestions from this side of the House were adopted. Nevertheless, if they do have problems it's with their legislation and not with the enery and sincerity about which they go about their particular responsibilities. In particular, I would like to mention the Deputy Minister Mr. Cochrane and his very, very able staff, and all of the people who are engaged in administering these labour relations laws.

Well, Mr. Speaker, I would like to start off by referring to the Department of Labour Act. It's an Act that I think is very seldom referred to. It generally outlines what the Department of Labour is supposed to be doing. I don't think that anybody in the Department pays particular attention to it, not as a matter of fault but just because the Acts which deal with the actual goings-on in industrial relations are far more important than the Department of Labour Act itself. Nevertheless, Mr. Chairman, I think that the Act contains an interesting provision, which I find rather amusing and which I think inarticulately expresses the subconscious view of this government (I hope I'm not sounding like a psychologist) in their attitude toward labour matters.

Paragraph 6 of the Department of Labour Act, Mr. Chairman, says that the Minister shall collect, assort, systematize and publish information and statistics relating to employment, wages and hours of labour, co-operation strikes, lockouts or other labour difficulties, trade unions, labour organizations, the relations between labour and capital, and other subjects of interest to working men throughout Manitoba, with such information relating to the commercial, industrial and sanitary condition of workmen and the permanent prosperity of the industries of Manitoba as the Department may be able to gather. So it appears, Mr.

(MR. GREEN cont'd.) Chairman, that the Department is directed toward the consideration of the sanitary condition of workingmen and the permanent prosperity of the industries of Manitoba.

Well, Mr. Speaker, I hope that when our Party gets to be the government we can reverse those clauses, or maybe the Minister himself will reverse it so that what we are concerned with is the permanent prosperity of workingmen throughout the Province of Manitoba and the sanitary condition of industries. But nevertheless, that's the way the Act reads and I think that it's interesting to know that this is the cornerstone upon which the industrial relations are decided. I can just see the investigators of the Department of Labour running around to plants and asking the workingmen to show them their fingernails to see whether they're in a sanitary condition and to do such acts consistent with the statute as are necessary in that regard. I notice that in the Minister's report, which I've read and found very interesting, we haven't any statistics or other information regarding the sanitary condition of workmen and I assume from that, Mr. Chairman, that the workingmen of Manitoba have, by default, established a high condition of sanitarness and that therefore there was no need to mention it in the report of the Minister.

Well, Mr. Chairman, I feel that one of the big problems in industrial relations, in this province particularly and in the Dominion generally, is the attitude which has expressed itself oftentimes in this House coming from members of the Government benches and from the back-benchers and from members of the Liberal Party, is the attitude that someone who comes to the House and speaks on a matter affecting workingmen or employees is pleading a special interest, and I had this pointed out to me especially during the 1965 federal election campaign when I was approached by a newspaper reporter and I was told that the New Democratic Party is the party that represents Labour, and to prove it the president of the New Democratic Party was a trade unionist. And what he was really saying, Mr. Chairman, is that it's inconceivable that a trade unionist could ever be the president of the Liberal Party or the Conservative Party, and therefore anybody who would consider trade unionists as being part of the general population and who deserved the right to be spoken for the same as anybody else, represents the interests of Labour. And I think, Mr. Chairman, that that has been a general attitude: that anybody who has the audacity to come in and speak for employees is said to be representing special interests.

I don't think that that's the case, Mr. Chairman. I don't think that that's the position that we've taken. The position that we've taken is that employees are part of the general population and deserve to be spoken for the same way as anybody else whose rights were being affected. And in this regard, Mr. Chairman, I'd like to read from a speech of Henry George who wrote various books on political economy, the most important of which was "Progress in Poverty". He was running for the Mayor of New York in the late eighteen hundreds and was introduced at one of his speeches as follows - and I'm reading from his life story written by his son: "In Turner Hall College Mr. George spoke next. There was a large audience, mostly of workingmen, and he was introduced as the great friend of labour and democracy. His first utterance was one of dissent and this is what he said: 'I have never claimed to be a special friend of Labour. Let us have done with this call for special privileges for Labour. Labour does not want special privileges. I have never advocated nor asked for special rights nor special sympathy for workingmen. What I stand for is the equal rights of all men!'"

Now I'd like to think, Mr. Chairman, that the party of which I am proud to be a member is not seeking special privileges for Labour, and I concur with what Henry George said about the employees; that they are not seeking special privileges. What we seek and what they seek are special rights for all men, and I suggest that the reason that we in this House have had several debates concerning labour problems is that the governments of this province in the past have not recognized Labour or employees as having the same and equal rights as other persons in this community and this is the difficulty which we find ourselves in in discussing labour disputes. We find ourselves discussing a group of people who have had rights taken away from them which are otherwise common to all groups in society. Other groups in society have the right to withdraw their services in concert, the right not to work, and there is no inhibition on those rights with the exception, Mr. Speaker, of firemen and policemen and people in public interest disputes which I referred to when I was talking about the Crown corporation. But it's only the employee who can't at this moment, and without going to get certification and without going through a conciliation procedure and without engaging in certain other activities, who can't say at this moment, "I reserve the right not to work. I'm going to leave my job and

(MR. GREEN cont'd.) I'm going to convince my fellow employee not to work as well." And it's this entire change of our thinking in economic affairs which when it comes to working-men takes place both by governments and by courts, which I suggest has caused some of the difficulties which we find ourselves in when we deal with labour matters.

I've dealt with some of those things, Mr. Chairman, in the resolutions I've put to the House, specifically with regard to the employees having the right to exercise free speech, and, Mr. Chairman, let me emphasize this at the present time. My honourable friend the Minister can't point to a single injunction - and I hope I'm being correct; he can correct me if I'm wrong - but there hasn't been a single injunction granted in the past few years in connection with the carrying of placards by employees in connection with a labour dispute where that injunction has been given to curb intimidation or violence. Each one of the injunctions -- the injunctions with regard to the Royal Bank, there was no suggestion of any intimidation or violence. There was one person standing in front of the Royal Bank with a sign. Nobody was prevented from walking in or walking out. No intimidation or violence in that connection. The injunction against the Building and Labourers' Union last year in connection with contractors' equipment and supply, it was admitted and found by the judge that all of the picketing was peaceful; nobody had been prevented from walking into or out of the plant; no violence either indicated or threatened. The injunction that was almost taken out in connection with Inland Cement - no suggestion of violence or intimidation. The injunction relating to the construction of the Workmen's Compensation Building, a man handing out leaflets - that's all - was enjoined. These are the type of injunctions that have been granted in labour disputes in Manitoba.

Let the Minister name one where the injunction was granted because of intimidation or violence. First of all, to my knowledge there were none. Secondly, if such a thing were to have happened an injunction would not have been necessary. The employer or anybody else who was intimidated could have phoned the Police Department, phoned the Attorney-General, and they would have come down and stopped violence in that area just the same as they would stop it in any other area; so that the injunctions in labour disputes have not arisen, in Manitoba in any event, because of any wrongful activities per se on behalf of employees. The injunction in connection with the plasterers' case; the injunction in connection with the IBEW and the other unions in connection with the Royal Bank - no suggestion whatsoever of violence. So that when the Minister is justifying these injunctions by saying that they prohibited illegal activity, let him know what the illegal activity was. None of it was related to violence or intimidation of any kind and I'm suggesting that no such acts were alleged. But nevertheless the injunctions were granted, and I'm suggesting to the Minister in the resolutions that I've put before the House and at the present time, that what has happened in Manitoba is that we have in fact advocated the jurisdiction of lawmaking to the Courts; that we could all very well take the position that we shouldn't do anything now because the Woods Committee is meeting; we shouldn't do anything now because Mr. Justice Rand is determining the question. But when a case comes to Court, Mr. Chairman, when an employer files a statement of claim and gets an injunction against a man because he's walking down the street carrying a sign, that judge doesn't say, "Let's wait for the Woods Committee." That judge doesn't say, "Let's wait for Mr. Justice Rand to make his decision on whether this is or is not unlawful." That judge proceeds to develop the common law in a way which I say is contrary to the instincts of the people who are elected to public office, and it's up to those people to take the position that the Court should not grant injunctions of that kind.

Now that, Mr. Speaker -- and I'm not going to go any further. I know I have difficulty keeping away from it, to the question of injunctions. We've been debating it and the debates on the subject have not been closed. I'd like to deal with what I think is another development in the Department of the Minister of Labour which I think is damaging to good industrial relations in this province, and that is the tendency to govern by legislation and we've heard some words about this before. I indicated that the minimum wages have been set by regulation; that the wages in the construction industry have been set by regulation; that none of these matters come before this House and that the question of whether or not people should work 60 hours a week was not argued before this Legislature.

I have, Mr. Chairman, an example of what I think is an even more objectionable regulation as it relates to The Employment Standards Act. The Employment Standards Act, Mr. Chairman, is generally considered to be that Act which establishes a 48-hour week in Manitoba. Now, Mr. Chairman, the Employment Standards Act first of all establishes a 48-hour week and then proceeds to make the kind of exceptions which make that 48-hour week nothing but an

(MR. GREEN cont'd.) illusion. It's an illusion to the extent that as we see in the heavy construction industry we have a 60-hour week, that with regard to certain municipalities as a result of hearings before the Manitoba Labour Board we have a provision whereby certain municipalities can work 120 hours in a two-week period. Now let me impress upon members of the House that 120 hours in a two-week period theoretically enables a 120-hour week without payment of overtime, because any 120-hour period over two weeks is acceptable within these regulations as they are made by the Board -- these permits as may be granted by the Labour Board, and I suggest, Mr. Chairman, that if we are to enforce the 48-hour week, that we cannot continue to permit, and I'm not suggesting that we direct the Board, I'm suggesting that we change the law so that the Board will not be able to authorize that type of work week.

But still a more objectionable regulation, Mr. Chairman, is the one that I'm coming to. The Employment Standards Act presently provides in Section 28 Subsection (4) - and I have to read this to make my explanation in full - "that where an employer desires to establish a working week not exceeding 48 hours for male employees or 44 hours for female employees, to be worked in less than six days, he may, with the approval of the Board, or by a collective agreement with the trade union that is the certified bargaining agent for his employees, or by an agreement upon which the Labour Relations Act confers a comparable statute, adopt a working week in which daily working hours are in excess of eight hours without paying wages at overtime rates for hours worked in any day not exceeding the number of hours approved for that working day."

Now, Mr. Chairman, this, briefly, gives an employer the right to work his employees more than eight hours a day as long as they don't work more than 48 hours a week. In other words, it gives him the right to work them nine hours a day, three hours on a six day, without paying overtime. Now the Department of Labour has passed a regulation which I suggest, Mr. Chairman, is an affront to the members of this House in that it is specifically and directly contrary to Section 28 (4) of the statute, and I would ask the Minister to ask the lawyers in the Department of Labour whether what I'm now saying is not correct, because the regulation says as follows: "When an employee and a majority of his employees so agree" - a majority of his employees agree - "an employer may establish a working week not exceeding 48 hours for males and 44 hours for female employees to be worked in less than six days without paying the minimum overtime rate except for hours worked in any day in excess of the number of hours required to be worked that day by agreement of the employer and a majority of his employees, or for hours worked in any week in excess of 44 or 48."

Now the Legislature has enacted that this can only be done if there is a collective agreement or an agreement upon which the Labour Relations Act confers a comparable standard, and I suggest that the reason for this is that the Legislature in its wisdom decided that it would protect the employees through its bargaining agent, through the union who was acting under a collective agreement, and only through them; that the employer could not act in such a way as to get his employees to agree to change the provisions of the Labour Relations Act. What the regulation does is to say to the employer that you don't have to make this agreement with the union. It doesn't have to be the certified bargaining agent. If you've got 10 employees you can approach six of them, and if you get these six, which is a majority, to agree, then you can enter into an agreement which will enable you to work your people more than eight hours a day and not pay overtime wages.

Now, Mr. Chairman, anybody who can condone a regulation of this kind just does not appreciate, in my opinion, the fundamental principle of The Labour Relations Act, and that is that the employer shall not have it in his power to manipulate his employees to agree to working for more than eight hours in a day, because it's true that such agreements can be made. First of all, some of the employees want to work more than eight hours and get whatever money they can so that their take home pay will be greater, and these people are competing with employees who want to have an eight hour day which is apparently the principle upon which this government operates; and secondly, to permit the employer to do this is to permit him to act one way towards employees who do agree with his proposition that they work for nine hours in one day, as against those who say, "No, we want to maintain the eight-hour day." And I suggest, Mr. Chairman, that this regulation is the Lieutenant-Governor-in-Council telling the Legislature that "we don't like your legislation and we are going to enact regulations which are in direct conflict."

Now the additional regulations which were passed under the same regulation number, 1412 of '66, Mr. Chairman, permits the same type of behaviour, where an employer and a

(MR. GREEN cont'd.) majority of his employees so agree, an employer may allow less than one hour for employees to eat any meal, so he can avoid the regulation calling for a one hour lunch hour by getting together with his employees and suggesting to them - and I suggest that that's all that is necessary for employees - that he doesn't want them to have an hour for lunch; he wants them to have a half hour.

Section 22 as amended: "Where an employer and a majority of his female employees so agree, an employer may reduce or eliminate the rest period mentioned in subsection (2)." So we have an employer who can knock out a coffee break if he has 10 employees and six of them say that they are willing to go without the coffee break, and I suggest that if he asks them to go without the coffee break and the employee is worried about whether they will stand in good favour with their employer if they don't so agree, then it's not hard to get people to make this type of an agreement, and it's specifically because the Act was intended to protect the employee that this type of change was reserved to be made in the Section I referred to in any event, not in the other sections; that that had to be done by agreement which had status under The Labour Relations Act. So I would ask the Minister whether or not this regulation is not contrary to the Act, and if his advice is what I think it should be, in any event whether he is not going to change that regulation.

Mr. Chairman, there are various other matters which I wanted to refer to in dealing with the Minister's estimates. I think that one of the most important subjects today relates to the right of employees who are employed in Crown corporations, to collective bargaining. Under the present legislation - I believe that I'm correctly interpreting it - the people who are employed by the Telephone System and by the Power Commission do not have the same rights as other people in the province. Their wages are determined by a mediation board and they are asked to either agree or disagree to it, and if they don't agree to it they have a right to appeal, but in the last analysis the Minister can declare that the industry that they are working in is of an essential nature and that they are therefore deprived of the right to strike. Now, Mr. Chairman, I object to this on two grounds: First of all, I object to it on the ground that we mustn't consider, we mustn't take it for granted that a group of people wishes to stop working and place the life of the province in jeopardy. I suggest to you that these people should have the same rights as other employees to decide that they won't work for the wages that they've been able to bargain for with the government, and I suggest to you that this is nothing more than equal rights, that it's not the right to strike. We're not talking about the right to strike; we are talking about the right to behave equally with other people who are working; for instance doctors, who, though it may be in the public interest that they stay on their jobs, have a right not to work if they don't want to.

Furthermore, I suggest that the regulation goes too far; that the legislation goes too far and needn't go that far. The federal legislation at the present time permits these people to have equal rights continuously until the Lieutenant-Governor-in-Council or the appropriate Minister declares that the public interest is involved, in which case the right to strike, the right to not work the same as anybody else, is suspended. The worst feature of our present legislation is that it refers to three named corporations and then the corporations who are not named are not covered by The Labour Relations Act, so we have the situation arise this year where the Vegetable Marketing Commission, which has employees who are doing nothing more than packaging and things of that nature, the same type of things that are done by people who work in the wholesale produce industry at any other level, found that they were denied rights under The Manitoba Labour Relations Act because they weren't named in the legislation, and I think that the situation should be reversed, that The Labour Relations Act should be applicable to everybody except those that are named; that there should be a situation in the statute that a Crown corporation, merely because it is created, does not deprive the bargaining rights of its employees, that the employees have those bargaining rights unless the government through legislation, which would have to then be debated in the House, takes it away from them.

I'd like to refer to some matters which are contained in the Department of Labour report. First of all, on Page 11 I think we have again an inarticulate suggestion as to how the government feels about employees. In referring to last year's change, he says: "The Act was also changed to clarify and improve conciliation procedures; to spell out clearly freedom of speech for employers in connection with the organizing of unions." Well, Mr. Chairman, the subsection does mention employees, whose freedom of speech I would hope that the department is also interested in preserving, but the government hasn't acted where freedom of speech of the employees has been affected, as witness their failure to act in connection with labour disputes.

(MR. GREEN cont'd.) ...

I think, Mr. Chairman, that one of the important areas of the Department of Labour and one which the Minister places heavy reliance on, relates to the Woods Commission, and specifically, on Page 13 of the Minister's report, he says that the Woods Committee "undertook investigations into labour injunctions, public interest disputes, Labour Board procedures, problems in the construction industry, legal entities and individual rights and labour standards." Well, Mr. Chairman, seeing that these things have been made the subject of investigation, perhaps the Minister can tell us what the Woods Committee investigated and decided with regard to labour injunctions; what they investigated and decided with regard to public interest disputes; the question of legal entities and individual rights. I don't think that any report has been forthcoming and I think that the way the Woods Committee has been going we are not likely to have a report at this session of the Legislature, and yet, Mr. Chairman, when I appeared before the Industrial Relations Committee last year, I think it was generally implied that this year we've dealt with the subjects which had been legislated upon, and next year the first priority will be the question of ex parte injunction, which they presume the problem to be.

With regard to the Nelson River construction project, Mr. Chairman, I would be interested to know, I'd like the Minister to advise the House whether that agreement does not contain a provision that everybody employed on the project is someone that would have to be a member of a trade union, and if he agrees with such a provision - and I certainly think that it would lead to industrial peace - then why are unions being prevented by injunction from just acquiring that type of status with regard to construction agreements in Greater Winnipeg, because that's exactly what the Royal Bank injunction prevented the unions from doing.

Well, the Minister shakes his head. I know that a man walked down the street with a sign saying "Non-union people employed here", and the result of people not wishing to work with non-union people, the Court of Queen's Bench granted an injunction against everybody who didn't work because they didn't want to work with non-union people.

Mr. Chairman, I'd like the Minister to perhaps deal with one of the statistics that he has in his report. He has referred continuously to the relative industrial peace that we have in the Province of Manitoba. I know that he's not a great adherer to statistics. Nor am I. But we do have the 1966 situation of 45,040, the number of man days lost due to strikes, and, Mr. Chairman, I'm not objecting to that; I think that I'm not in favour of - and I've indicated - I'm not in favour of "industrial peace at any price." If the figures said no hours lost by strikes it wouldn't matter to me if that was achieved as a result of taking people's rights away, but nevertheless, just to relate the Minister's figures to what he's been talking about, the 1965 figures show 10,000 hours and the 1966 figures show 45,000 hours which, if we want to be cute and use percentages, is an increase of 450 percent in a period of relative industrial peace. It compares very favourably to the 1964 statistics of 46,000 hours, but in 1963 we only had 4,000 hours, an increase, Mr. Chairman, of 900 percent. I'm not introducing these figures to suggest that there shouldn't be this number of man hours lost; I'm only asking the Minister how he reconciles this with his supposed industrial peace and what he has to say about them.

I would like to know from the Minister whether the practice in his department is still to permit an employee to seek his own remedy in administering The Hours and Conditions of Work Act with respect to the payment of overtime. Mr. Chairman, Members of the House should perhaps be aware -- let me acquaint them with the fact that several years ago I personally was involved in a case where a man was claiming \$72.00 in overtime wages as a result of being required to work more than 48 hours a week or being permitted to work more than 48 hours a week, and for that \$72.00, Mr. Chairman, he went to -- firstly, he went to Magistrate's Court, the magistrate decided against him; he had to go to the Court of Appeal. At the Court of Appeal there were two hearings and the Court of Appeal decided against him; then he had to go to the Supreme Court of Canada; then back from the Supreme Court of Canada down to the Court of Appeal; back from the Court of Appeal down to Magistrate's Court; and at the end of this series of dragging his coattails through the various Courts of the land, he was sent a cheque by his employer for the sum of \$72.00. Now the point that I am pushing to you, Mr. Chairman, is that a failure to pay overtime wages is an offence under The Hours and Conditions of Work Act - under The Employment Standards Act. It's an offence punishable by fine and/or imprisonment, and in whatever other area a Provincial Statute

MR. CHAIRMAN: I should remind the honourable member that he has been speaking 39 minutes now.

MR. GREEN: I'll be just concluding my remarks. Mr. Chairman, what I am trying to impress upon the Minister is that where a Provincial Statute is violated in other respects, the entire machinery of the state is directed towards prosecuting the violator and seeing that right is done.

If a man has a bottle of whiskey in his garage that wasn't made by the commission, investigators are sent, Crown prosecutors are appointed, everything is directed - the entire, as I said before, machinery of the state is directed towards seeing this man recovered. That has not been the case with regard to this Act. I hope that that's changed. It certainly is not the case with regard to violations under The Labour Relations Act and particularly with regard to Section 4 thereof, where an employee who feels that they have been improperly treated, where there has been a violation of the Act, has to hire their own lawyer, has to pay for the enforcement of the Manitoba Statute.

Now, Mr. Chairman, I ask for your indulgence in having taken so long but there are certain areas of this department which I think deserve comments on and I hope that we will hear from the Minister tonight.

MR. HILLHOUSE: Mr. Chairman, I wish to move that Item No. 1 (a) Minister's Compensation - Salary and Allowance of \$18,000 be reduced to the level of 1966-67 appropriation of \$12,500.

MR. CHAIRMAN presented the motion and after a voice vote declared the motion lost.

MR. GUTTORMSON: Yeas and Nays, Mr. Chairman.

MR. CHAIRMAN: Call in the Members.

A counted standing vote was taken, the result being as follows: Yeas, 13; Nays, 38.

MR. CHAIRMAN: I declare the motion lost.

MR. DESJARDINS: Mr. Chairman, I move that the words "and Representation Allowance" be struck out of Item No. 1 (a) of the same department.

MR. CHAIRMAN put the question and after a voice vote declared the motion lost.

MR. MOLGAT: Same division.

MR. CHAIRMAN: Same division. For the motion, 13; against the motion, 38. I declare the motion lost.

MR. CHAIRMAN: (Resolutions 52 and 53 passed.) Resolution 54 - Item (3) Employment Standards, (a)--

MR. GREEN: Mr. Chairman, I wonder whether the Minister won't deal with the question of the regulations passed under The Employment Standards Act.

HON. OBLIE BAIZLEY (Minister of Labour) (Osborne): Mr. Chairman, I think the majority of the questions -- I think really it was more advice that my honourable friend was giving rather than questions. I realize that he did mention The Employment Standards Act and amendments that were made there, and made a point about working 120 hours in a week and agreements being reached between employees and employers so that they could vary the hours of work. Now we feel that this is a reasonable request and I would like my honourable friend to think of 1967 rather than some of the times that he is thinking about when he says that the employee is forced by an ogre of an employer to work 120 hours. You find that these agreements are based on attitudes that have been arrived after consultation between employees and employers.

In the municipal arrangements, municipalities that have asked under certain circumstances to work 120 hours in a two-week period, the reason for this is that it is seasonal work the way it is under the heavy construction industry, and this is the request from the employers so that they have employment, and I'm sure my honourable friend wouldn't want these individuals to be unemployed - the employees to be unemployed at times of the year when there was no work, and circumstances at the present time are such that they have agreed to this, to lengthen the hours of work when it is necessary in the interest of continual employment.

The Employment Standards part that he was referring to, it's my understanding in agreement with the Attorney-General that overtime rates, minimum wages, vacation pay, these are matters that are prosecuted at the expense of the department. I am rather surprised to have my honourable friend tell me of a case relating to overtime pay unless it is prior to a change in administrative policy.

I think he and I -- I must say this, that I appreciate his words of interest and kindness and that we differ violently on what is necessary to have good labour-management relationships. You don't develop, in my opinion, good labour-management relationships by attitudes that impose on either party, or both parties, conditions that are unacceptable to them. What we are

(MR. BAIZLEY cont'd.) trying to do basically in this -- what we are trying to do in the Department of Labour is to develop a climate for labour-management relations that will tend to let us have the best production, the most efficient production and the highest wages that are possible in the Province of Manitoba.

He mentions that our strike record was not so good last year compared to 1964. As the Honourable Member for Kildonan is aware, it was the Packer's situation that was negotiated on a federal scheme that was responsible for 60 percent of the man-days lost in the period that my honourable friend is talking about.

Public interest disputes and employees not having the same rights as other employees: well, theoretically what he says is true. It has never occurred in this province, and I think the other thing that I have to make perfectly clear is that I have consulted with these parties, and if there are other instruments that will guarantee the efficient operation of the essential services we won't have any problem in arriving at a change in negotiating methods, but we have no intention of permitting the right to strike, either there or within our own government service, police, or firemen, but we realize that theoretically there is this problem. I have consulted with the parties and am prepared to discuss other means or other instruments to have a satisfactory solution to what they feel is injustice, but in actual practice - and I'm sure my honourable friend knows this - in actual practice it has never moved to the stage where the Lieutenant-Governor-in-Council has had to make or impose a determination on the strike.

MR. CHERNIACK: Mr. Chairman, the Honourable the Minister of Labour has said that it is clear to him that he and the Honourable Member for Inkster don't agree, and certainly none of us are surprised that the Honourable Minister of Labour and the Honourable Member for Inkster don't agree, but I would like the Minister to direct a question as to whether he agrees with himself, because when the Honourable Minister of Labour has an Employment Standards Act I assume he's responsible for it, and when he passes a regulation such as the one referred to by the Honourable Member for Inkster - 1412/66 - I assume that he is supposed to do so within the law. I haven't bothered to look at the provisions for the regulations in this Act but I'd be very much surprised to hear that it does not contain the phrase that the regulations have to be within the orbit and subject to the restrictions contained in the Act itself. And yet we find what was pointed out, and what the Minister apparently didn't notice or didn't pay attention to, that Section 28, subsection (4) of The Employment Standards Act says that when there is a change in the working week by which hours may be worked in excess of eight hours, this could be done with the approval of the Board or by a collective agreement with the trade union, that is a certified bargaining agent, or by an agreement upon which The Labour Relations Act confers a comparable status, which means an agreement with a body which is recognized as if it were a certified bargaining agent.

Now it says this may be done if it is by agreement with a certified bargaining agent or a similar body. The Minister knows full well that there is need for that and he knows that in carrying out the work under The Labour Relations Act it is essential that employers be not given an opportunity to provide any form of pressure at all on employees. It is recognized that way. It is recognized that the employer does not have a right to find out which of the employees has joined the union, and the reason for that is that there should not be any moral or other type of pressure put on employees. This the Minister knows, and yet he passes a regulation which completely by-passes the recognized certified bargaining agent. He speaks very reasonably, as he usually does, and one would think that he's a reasonable man about this, but if he understood what was said by the Honourable Member for Inkster he would realize that it is unreasonable in the light of The Labour Relations Act to by-pass the official bargaining agent, the certified bargaining agent, and permit the employer to make private deals with the majority of his employees. The Minister is now reacting, but I'll read to him what it says in case he doesn't know. It says, "Where an employer and a majority of his employees so agree."

So this now means that where you might have an agreement, that is an industry-wide agreement, with the certified bargaining agent that bargains for all the employees in that field, that that could be by-passed, that that could be circumvented in fact, and that the employer could call in his employees, either individually or as a group, and say to them, "Now I would like to work tomorrow a nine-hour day without paying overtime. What do you think girls? How about it, eh?" And what are they going to say when faced with this face-to-face approach by an employer by-passing the certified bargaining agent.

Now if the Minister says this is 1967, then he must realize that in 1967 we still have an Employment Standards Act which speaks to the contrary and we still have a Labour Relations

(MR. CHERNIACK cont'd.) Act which recognizes that there has to be a formal Rap- prochement between the employer and the employees so that they are protected and so that they do speak as one voice through their official agency, but the Minister doesn't seem to consider that this is not only a contradiction of the Act but a contradiction of the principles under which he is supposed to be operating. And if he blithely says, "Well this is 1967," then let us remind him that in 1967 there are still applications made to the Labour Relations Board which are opposed and which are hard-fought and which would indicate that things don't work as smoothly as he would like them to work, and they won't work any more smoothly if he blinds his eyes to them.

For example, in the same regulation there is a provision that where an employer and a majority of his female employees so agree, an employer may reduce or eliminate a rest period. Now why is there provision for a rest period in these regulations? Why does the Minister think that it's necessary that in a four-hour morning there shall be a rest period? Is there a reason for it? There must be because he hasn't yet thrown that out of the window. But instead of that he comes along and says, "Well, where an employer and a majority of his female employees agree, then you can reduce it; throw it out of the window." Who is passing the laws for the benefit of the employees? Is it the Minister that considers that it is his responsibility or is it a majority vote of the employees of a particular employer?

And what about the minority? Does this then mean that they must work during that rest period portion because a majority of them voted to eliminate it? If they had an opportunity to meet in the environment of their own group, thrash things out with their official bargaining agent, and if in that way they arrive at an agreement which is an agreement under The Labour Relations Act, then that is democratically arrived at and they have had an opportunity to voice their objections; they have had an opportunity for debate. But the Minister throws it out. He says, "Don't bother with The Labour Relations Act in that regard." He said, "Ignore The Employment Standards Act" - which is still law - and he says, "Instead of that let's have a vote" - if you call it that, I don't know how, it may be by way of petition or by way of signatures - but in any event he is making it possible for an employer now to deal direct with individual employees until he acquires the signatures of a majority of them and then he changes the Act and he changes the intent.

If in 1967 the Minister thinks that employees can now speak for themselves on their own behalf in a group direct with the employer, then why bother with the certification of bargaining agents? Why bother with all the paraphernalia - the mechanism rather - of establishing who shall be the bargaining agent? Why bother with the inquiries that are made by the Labour Board that investigate the votes or the applications for membership in the bargaining unit? Why bother with that if in 1967 he thinks it is unnecessary.

Let me suggest that he does look at these two sections and does see whether there is a contradiction, and if there is a contradiction, let him either explain away what he did in bringing in this regulation or change the Act; but let him not just say "This is 1967," because that is no answer that satisfies the majority of people that I can think of. That is no answer that should satisfy people in this House because we all know the year, we even know the month and the date, and as of today, March 27th, 1967 - March 27th, 1967, and I say that advisably because I looked at the Orders of the Day - knowing that as we do, we know full well that he has a Labour Relations Act which says one thing; he's passed a regulation which says another thing. If he wants us to wait for Statutory Regulations Committee to sit then we can thrash it out then, but if there's a contradiction then he'd better justify it, explain it away, indicate that I am wrong or the Honourable Member for Inkster is wrong in his interpretation, or change it and do it quickly.

MR. CHAIRMAN: (a)--passed; (b)--passed; (c)--passed; Resolution 54--passed. Resolution 55 - (4) Apprenticeship and Industrial Training: (a)--passed; (b)--passed; (c)--

MR. GREEN: Mr. Chairman, with regard to Apprenticeship and Industrial Training, I would just like the Minister to look at the situation with regard to apprenticeship which now says that every apprentice has to be under the direction of a journeyman, but I understand that what is now taking place in many areas is for a journeyman to be the head of a particular department and to have five or six apprentices working under him, and in this way to have work done by apprentices that should be work done by journeymen and thereby save the amount of wages that should be paid to journeymen craftsmen.

Now I would think, Mr. Chairman, that when the law required that an apprentice be under the supervision and direction of a journeyman, that what they were requiring was that there be

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(MR. GREEN cont'd.) a one to one relationship. If that's not what the intention was, then let the Minister explain what the intention is. If that is what the intention was, then I think that the statute should be more specific or else that there should be some steps to enforce a one to one relationship so that the apprentice works directly with the journeyman and the public is not having their work done by, let us say, seven apprentices working under the direction of one journeyman. I wonder if the Minister could comment on that perhaps after the supper hour.

MR. CHAIRMAN: It is now 5:30. I leave the Chair until 8:00 o'clock tonight.