

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Thursday, May 6, 1971

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.

READING AND RECEIVING PETITIONS

MR. CLERK: The Petition of The Midland Railway Company of Manitoba, praying for the passing on An Act to amend An Act respecting "The Midland Railway Company of Manitoba".

REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The adjourned debate of the Honourable Member for St. Boniface. The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, could I have this stand. (Agreed)

MR. SPEAKER: On the proposed motion of the Honourable Member for Radisson. The Honourable Member for Rock Lake. (Stands)

Notices of Motion; Introduction of Bills; Second Reading, Government Bills. The Honourable Minister of Finance. Oh, I'm sorry. My lapse. Orders of the Day.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q. C. (Leader of the Opposition)(River Heights): Mr. Speaker, in the absence of the Minister of Municipal Affairs, I wonder if I could direct my question to the First Minister. Are the rates for Autopac, as published, include the commission to the agents?

MR. SPEAKER: The First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Mr. Speaker, that is a question I would assume to take as notice for the Honourable Minister of Municipal Affairs inasmuch as it involves some detail as well as some notice.

MR. SPEAKER: I should like to apologize to the honourable members. I'm in a hurry today for some reason or other and I went ahead of the Order Paper.

INTRODUCTION OF GUESTS

MR. SPEAKER: I should like to draw to the attention of the honourable members that we have 65 students of Grade 11 standing of the West Kildonan Collegiate. These students are under the direction of Mr. Klassen and Mr. Butler. This school is located in the constituency of the Honourable Minister of Youth and Education. As well, we have 30 students of Grade 6 standing of the Tuxedo Park Elementary School. These students are under direction of Mr. Simms and Mrs. Maxwell. This school is located in the constituency of the Honourable Member for Charleswood. And there are 21 students of Grade 11 standing of Arbörg Collegiate. These students are under the direction of Mr. K. Penner and Miss E. Martin. This school is located in the constituency of the Honourable Member for St. George.

On behalf of all the honourable members of the Legislative Assembly, I welcome you here today.

ORAL QUESTION PERIOD (Cont'd.)

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I'd like to direct this to the Minister of Tourism and Recreation. Is the government going to assist with the purse structure at Assiniboia Downs that is to start within 30 or 40 hours as in past years? And secondly, if there's a decision coming, when might it be expected?

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

HON. PETER BURTNIAK (Minister of Tourism, Recreation and Cultural Affairs)

(Dauphin): Mr. Speaker, I was trying to listen very closely; I don't know if I got the question correctly but I believe the question was, Is there going to be any financial assistance to Assiniboia Downs for the purse structure. I might suggest to the honourable member that this has been discussed for quite some time and announcement will be made within a very short time.

ORDERS OF THE DAY - GOVERNMENT BILLS

MR. SPEAKER: The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, will you call Bill No. 9, please.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance. The Honourable Member for Gladstone.

MR. J. R. FERGUSON (Gladstone): Could I have this stand, Mr. Speaker? (Agreed)

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: . . . see who's contemplating speaking on this matter, we would hope that he would speak now when there is a day in which the honourable member is having it stand, and it wouldn't seem very appropriate that a member would let the debate go by today and then speak next time, so if there is somebody who is intending to speak, perhaps they could speak today. Well, Mr. Speaker, we'll recall that the next time the bill comes up. Bill No. 15, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Attorney-General. The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, I intend to be brief at this stage of the study and consideration of this particular piece of legislation. We've had an interesting experience and exposure in the House in the last week to rationalizations from various members of the Treasury benches, particularly the Minister of Mines and Resources and the Minister of Labour, trying to explain away the position they've taken on this legislation in the past. It has fallen rather thinly and rather unacceptably upon our ears and I would suggest upon the ears of many people in the province who have been watching for demonstrations by the present government of adherence to previously expressed principles. However, they are the ones who will have to answer to the electorate who is looking for adherents and loyalty to principle on the part of their government.

As for our position, we intend to take the stand and the posture individually and collectively that we took on it the last time round. I have no particular difficulty in subscribing to the idea of government operated, government conducted lotteries; I had no difficulty in subscribing to the legislation as it was introduced in 1969 to permit the Centennial Lottery, which was a resounding success. I voted for the legislation at that time and I intend to vote for it at this time.

MR. SPEAKER: Are you ready for the question? The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Speaker, I beg to move, seconded by the Honourable Member for Assiniboia, that the debate be adjourned.

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call Bill No. 31, please.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Transportation, the Honourable Minister of Transportation.

HON. JOSEPH P. BOROWSKI (Minister of Public Works and Highways)(Thompson) presented Bill No. 31, An Act to amend The Highway Traffic Act (1), for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Transportation.

MR. BOROWSKI: Mr. Speaker, the bill is being brought in to complement the Autopac Bill, or Bill 56, in order to phase it in smoothly. There are three basic principles involved in this bill. The first one deals with the change in definition of the licence year. As you know, up to this time licences were issued for a period of two years. They will be changed to a one year period, renewable every year.

The second part of it deals with the fact that since we are going to change the licensing from a year end to a birth date, that means there will be licensing going on throughout the year. We have to have a change brought in there for taking into account the shorter duration of the licensing and they will extend initially up to 14 months. After this initial phasing-in period, licences will be renewed every 12 months on the date of a person's birth which will make it a lot easier for our department. The present situation is that when the magical day of the end of June comes in, everybody has to line up like for plates. We have to hire extra staff to issue licences. Doing it on birth dates will mean the staff will be working throughout the year and we will do away with extra staff every time this year end comes along.

The last principle in this bill deals with a new class of licensing which was agreed to by all Ministers last year in Victoria. There will be seven classifications of drivers' licences

(MR. BOROWSKI, cont'd.) . . . which will include a beginner's licence. At this time we have a beginner's licence which is good for four months and then we have a second licence which we introduced last year which is called a probationary licence and it's good for one year. This will change it. This will make every licence good for one year. A person will have to go through the beginner's certificate for one year; after that he'll be on probation and after that he will get a regular licence, one of seven classifications. A bus driver will have to have one type of licence, a heavy truck driver will have to have another type of licence, a person driving a taxi will have to have a different type of licence. The Federal Government brought down the regulations on this licensing and it will be the same type across Canada and it will do away with a lot of the jurisdictional difficulties we experience at this time.

It also shows in the bill the amount of fees that will be charged for the various periods of introduction, starting with five months and going right on to 14 months.

MR. SPEAKER, I think those are the three basic principles in the bill. Any further discussion on it in depth could be handled at the Law Amendments.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): I beg to move, seconded by the Member for Gladstone, that debate be adjourned.

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, will you call Bill No. 2, please.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance. The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns) presented Bill No. 2, An Act to repeal The Succession Duty Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, I really think that this can be proceeded with very quickly, but I'm in no hurry at all, Mr. Speaker, none at all. Now, it may be that the Opposition has other priorities to mine; it seems to me sometimes they don't think that my priorities are acceptable to them, but I assure them that in this case I don't have the slightest objection if this continues with adjourned debate day after day. It's okay, Mr. Speaker.

The repealing of the Succession Duty Act is carrying out the conclusion of an Act which has been suspended for some 25 years. There's been very, very little activity in the courts in the last 10 years. The former Chief Justice of Manitoba, Chief Justice of the Queen's Bench, and the Senior County Court Judge, have all agreed that the repealing of this Act would not be of any concern to them.

I just bring to your attention that the Succession Duty Act was used by this province before federal estate taxation became an arranged affair between provinces and the Federal Government and therefore the Act, as it stands, applies only to deaths which took place up to April 1, 1947. It is thought that by now the estates of people who died that long ago have been dealt with and the occasional requirement now for some sort of certificate under this Act should be done away with.

So, Mr. Speaker, that's what the Act proposes and I'm looking forward to whatever debate the House wishes to give to it. If necessary, in committee we can deal with it to make sure that the legislation is given an exhaustive review, to make sure that it is not rushed through, that all members of the House have every opportunity to look into it carefully, to evaluate and weigh it and then, after due and deliberate consideration, to deal with it as members of the House see fit.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Would the Minister permit a question? Can the Minister indicate is there any special rush on this bill?

MR. CHERNIACK: Well, Mr. Speaker, if I may respond, I would like very much to see to it that we do proceed with all the legislation before us so that we can all look forward to a very pleasant summer, one which we will have earned well and been able to say we have served the people of Manitoba.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I'm not rising to adjourn. I'm just wondering why the sarcasm by the Honourable Minister.

MR. SPEAKER: Order please. The Honourable Minister of Finance.

MR. CHERNIACK: . . . of sarcasm, certainly.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, we've had an opportunity to examine this legislation; we are very mindful of our responsibility as a party in Opposition to look at all pieces very carefully, but having had the Minister's explanation and being assured that there is no hurry whatever in connection with the passage of this bill, we are somewhat assured on our side that what is proposed here is exactly what should be done and we are prepared now to let it go without any further comment.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BARKMAN: Mr. Speaker, likewise, I'm also interested in the summer and I hope there will be some summer holidays, and maybe we can surprise the Minister today because the bill is long overdue, as you can see as soon as you read it, and perhaps we should rush it a little bit so that it can get action immediately.

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I'd like to call Bill No. 6, please.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Tourism and Recreation. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, unfortunately I can't be as brief in my remarks on Bill 6 as I was a moment ago with respect to Bill 15, for we find that this particular piece of proposed legislation is unjustifiable in the kinds of pressures and the kinds of expenses that it's going to impose on many people in the Province of Manitoba who rely on rather minimal, rather marginal activities in the hunting and fishing and tourist industries, the outdoors recreational industries for a living. The Minister suggested in introducing the bill on Monday for second reading that all this really is is a rather simple piece of legislation that helped to make the Act conform more closely with the ideas and the operation, as he described it, of the Executive Government Organization Act in its revision.

However, I would doubt very much, Mr. Speaker, that many of our native peoples, many of our Indians and Metis who depend as I've suggested on marginal enterprises in the outdoors and recreational fields of endeavour for their living, would be prepared at this time to subscribe to that kind of a smokescreen, and we in the Conservative Party align ourselves with them in repudiating and rejecting the soft-sell approach that the Minister gave us earlier this week in hopes apparently of slipping this piece of legislation through unobserved, unscrutinized and unchallenged.

The government can make all the high-sounding statements and preach all the high-sounding sermons it likes about being responsive to the problems of the average citizen of Manitoba, being an open and a humane government and being prepared to make taxation equitable, being prepared to fight for the ability-to-pay principle where the extraction of revenues from the populace is concerned; the whole argument becomes transparently nothing more than a political exercise, Mr. Speaker, when it's measured alongside some pieces of legislation being introduced by the government. And I suggest that one of those pieces of legislation which demonstrated the transparency of that argument and the unacceptability of the position the government takes on an argument like that, one of those pieces of legislation is this one, Bill 6, a bill ostensibly designed to amend the Department of Tourism and Recreation Act and to reorganize and restructure the operation of the Department of Tourism and Recreation.

What this piece of proposed legislation will do in effect, Mr. Speaker, whether it spells it out honestly and openly for the members of this Chamber and the people of Manitoba or not, what this piece of legislation will do is impose another tax, and a very thinly disguised one, on many of our residents and particularly those who one would think, for all the argument on the ability-to-pay principle that this government has advanced in the past, would be persons and citizens of this province who would have priority consideration from this government when it comes to equitable taxation methods. And I refer, as I did a moment or two ago, to those people, among them many of our native people but not necessarily our native people; I cite them because there are a great many of them who do depend on this kind of an activity for a living - and a marginal living at that.

But the people who are in a position, because they own one or two pieces of equipment valuable and useful in pursuing outdoor recreational activities, those people have in the past

(MR. SHERMAN, cont'd.) . . . . . been able to turn what limited resources and limited equipment they have into a means of making a fair and honest living and now they are being asked to carry an additional share of the taxation load in this province, an additional share of the burden of raising the revenues, or being responsible for providing the revenues deemed necessary by this government, through a piece of legislation that is studiously worded and presented in such a way as to disguise that fact.

The fact of the matter is that this is a piece of legislation that picks the pockets of people who can least afford to have their pockets so picked. It's a piece of legislation that imposes an additional burden of taxation, but not openly described by the government as taxation, on thousands if in fact not tens of thousands of our citizens who live in our wilderness areas and hinterland areas and rural areas and depend, as I've said, on the outdoor recreational activities available to tourists and to Manitobans in general for their means of livelihood.

The people of Manitoba, it seems to me, Mr. Speaker, are finding out now just how humanitarian the professed fiscal and taxation approaches of this government really are. For all the shift in burden of taxation that's been proclaimed and that's been claimed by this government in the 20 months or so that it's been in office, all that we really have to show for it is the shift from one pocket to the other. The ability-to-pay principle seems to be applicable and desirable in the area of health care and medicare, but when it comes down to the limited facilities available to many of our people to make a living, they're not judged on the basis of their ability to pay and they're not excused from paying onerous additional fees and charges that they have not had to pay in the past and should not have to pay in the future.

Last year we had examples of introductions of new fees, new levies, increases in existing fees and levies, particularly in the Department of the Attorney-General and in the Department of Tourism and Recreation. We had increases in Land Titles fees and in fees applied to all manner of exercises coming under the purview of the Attorney-General, Mr. Speaker, and we had increases in fishing fees and camping fees for example and all manner of activities - hunting fees as my colleague from Lakeside suggests - coming under the purview of the Minister of Tourism and Recreation.

We said at that time that all this is is a means of raising additional revenue, all this is is another tax, not so called, but it'll be obvious to all of those who participate in any of these exercises or activities that they are being taxed to take up the slack, to provide the revenue that this government has got to find to pay for some of the other programs it's undertaken without giving responsible fiscal study to the mechanics of those measures. It happened then and it's happening again; it's happening in Bill 6. It's happening in Bill 6 and I suggest that the people of Manitoba are awakening to this insidious pressure of a fiscal and taxation nature in disguise that is being imposed on them through all sorts of apparently small and unimportant pieces of legislation that are very innocuous in their wording and very innocuous in the presentation given to them by the Ministers responsible - in this case the Honourable Minister of Tourism and Recreation.

But any kind of experience, Mr. Speaker, for any length of time in the fields affected by these increases in fees and licensing levies quickly underlines for persons involved the truth of the fiscal and taxation and monetary philosophies being applied by this government today, and that is that all the relief that is apparently offered them on some levels of their lives and some levels of their activities is a sham because what they're being spared or purportedly spared in terms of taxes and expenses on the one hand, they're being confronted with in new levies, sometimes increased twofold, threefold over their previous levels on the other hand; and the bill before us at the present time is a perfect example and another perfect and perfectly innocuous expression of that philosophy. I say, Mr. Speaker, that it's pickpocketry of the worst sort because it picks the pockets of many many thousands of Manitobans who are least able to afford to pay this kind of levy. None of us likes to have our pockets picked. Those with very little in their pockets have more reason than most to be distinctly unhappy with this kind of legislation.

So the ability-to-pay principle, Mr. Speaker, is held up I suggest to extremely critical and serious scrutiny and examination when we see pieces of legislation of this sort before us. It's a blatant taxation measure designed to fill some of the holes in the coffers of the Provincial Treasury that have been created by irresponsibility and fiscal measures taken on other levels and it works its most serious effect on many Manitobans who are least able to afford this kind of an additional cost. We on our part, Mr. Speaker, intend to fight the Minister on this piece of legislation when we reach committee stage and we will have amendments to offer. We want

(MR. SHERMAN, cont'd.) . . . . to state our position on the principle of the bill at this point if - and I'm not satisfied in my own mind that my colleagues and I have caucused it as fully as we would still like to caucus it - but if we should decide to pass the bill on second reading, to give it second reading, we do so with the caveat, Mr. Speaker, that we'll have amendments to offer in the committee stage.

My colleague the Member for Lakeside advises me that if the government proceeds along the lines that it apparently intends to pursue on Bill 6 that it's certain of losing the swing vote among the outfitters of the province. I suggest that the government would be in danger of losing substantially more votes than that, because as I've suggested, the principle that's involved here is honesty with respect of fiscal and taxation policies. It's not just a question of the difficulties imposed on outfitters, it's a question of where does this government stop in finding and manipulating for itself other corners and sources of revenue from the Manitoba taxpayer disguised in the manner that this source is disguised to make up for the much needed revenues that are required - and critically and desperately required - by this government to support some of its other programs. So we will fight it, Mr. Speaker, on second reading and in committee stage.

MR. SPEAKER: The Honourable Minister of Transportation.

MR. BOROWSKI: Could I ask the member a question? I'd like to know if the member would tell the House if he is in favour of the principle of taxing on ability to pay.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Yes, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): Thank you, Mr. Speaker. I differ to a great extent to what the last member said because he is trying to say that you shouldn't tax a new way of -- again for people that are in the tourist business, and I think he's altogether wrong or else he doesn't realize just what the outfitters bill will do for people. It will help them legalize what has been done in the past and what the tourist people have not liked, and with an outfitters bill it allows now for people, especially in the wilderness areas, to legally accept money from tourists or sportsmen who want to go out and hunt and fish in the wilderness areas. This is not a new tax, it's a licence. People are licensed that have tourist camps and people are licensed that have boats to rent, people are licensed that have planes, so the outfitters is just a way of acknowledging that this is a new way of life for many people in crowded cities who want to get out and do their own thing by themselves.

I think that this is a step forward and I think if the members of the Conservative Party talk to the people in the tourist and recreational field they'll find that many of them are for this type of new sporting accommodation in Manitoba. It doesn't take away from tourist camps, it doesn't take away from fishing lodges; it's a new way of fishing and I think that government has to police it, and to police it they have to find monies from both those who are involved in the business and from those tourists that are going to go out and take advantage of this type of recreation.

I would like to say to the Minister that I'd hoped that they would see to it that those outfitters that are licensed would have to provide a guide to those people going into wilderness areas. This of course would be charged back to the sportsman and tourist that is going. But certainly where we're getting into different fields of recreation, such as canoe trips, etc., where people are out for days or weeks at a time and you have no knowledge of where they are, there is no radio contact, then you should have somebody accompanying them that is knowledgeable of both living in the wilderness and of the area in which they're going and also be able to provide some of the amenities like cooking in the outdoors and such on which they're going to want to do, of course they'll have to do, and a good guide can teach these people an awful lot. So that's an experience in itself.

But I commend the government for this type of approach to tourism and recreation. It's years behind. They've been asking for it for a long time and I'm sure that the licences will not be so high that it will eliminate those people that want to take advantage of this, because really you're just providing a service and if the outfitters didn't get out and provide the service then the government would have to, and I'd rather see the Indian people, and the northern people particularly I think where this will be used most, get a few of those dollars which are coming into the north. The government can take the tax end of it, or the licence end of it, but I think the rest of it should go to those people living in those areas.

(MR. BEARD, cont'd.)

Finally, I think that I would like to see if the Minister could make sure that the people that live within that particular area that the tourists are going to, get the first chance to provide the outfitting service. In other words, if they're going to Brochet or Reindeer Lake, then the Brochet people should have the licence, and if they're going to other areas in the further north from Nelson House to South Indian and such on, then those people should be given the first chance of having an outfitters' licence. And of course I suppose along with this then government should also provide a good school to get the fundamentals of outfitting through to the guides, the potential guides, so that we can be sure as Manitobans that our visitors to the province do have proper facilities and proper guides when they do come to take advantage of the northern areas.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I would like to make a few remarks in connection with Bill No. 6. Before I do so, I would like to just ask the Minister of Finance whether he had anything to do with providing me with a blank Votes and Proceedings in order to speed things up in the House.

MR. SPEAKER: Order, please. I'm sure the honourable gentleman wants to stay within the rules and discuss the motion under discussion. The Honourable Member for Rhineland.

MR. FROESE: Well, Mr. Speaker, I'm anxious to proceed on Bill No. 6, and I thought because the Minister had such comments to pass out before that I should respond.

The Bill before us certainly is a new one and contains some new provisions, and I'm very interested in the part of the bill, or the principle of the bill which provides agreements with the Dominion of Canada - or the Government of Canada, and I'm wondering what is envisaged here. Certainly if we're going to have agreements with Canada whereby they will provide money to develop some projects, I would like him to make note that we in southern Manitoba would like to see the Pembina Dam brought into being so that we have some facilities out there to attract tourists in southern Manitoba. The weather I think -- we have the longest frost-free period, so I think the people who want to come out to these resorts certainly will have a longer season for one -- (Interjection) -- and I would like to invite the Honourable the Minister without Portfolio to then work on our behalf so that we get this project going. -- (Interjection) -- Yeah, your wife is welcome also.

Last year the government announced the Hecla Island project - I think it was last year was it or the year before. I haven't heard just how far this has been developed. Are the projects of this nature now going to proceed under this department and that the agreements will be made with the new Department of Tourism, and will federal grants be available to them.

Another matter, because of the provisions in the bill, will some of the monies that are being made available to students in Canada for this summer, will some of that money come in this way? If so, I would like to have a little further explanation if possible.

Mr. Speaker, I definitely feel that if we're going to provide that the Minister can bring about structures being built and so on, certainly southern Manitoba should not be discounted. It seems these days everything has to go to the north, and when we are talking about fishing and sporting and whatever it is, it's northern Manitoba. I think the Minister of Highways and the Minister of Tourism should come to southern Manitoba more often and see what we have and what we would like to offer to the people of Manitoba, not only of Manitoba but to Americans as well, because if the Americans proceed with providing tourist facilities which no doubt they will, if they go ahead with the Pembina Dam alone, then our people, the Manitoba people will go into the United States, spending money there instead of us providing the facilities in southern Manitoba so that we can have the people come into Manitoba. I think the Minister should take this more seriously and assist us. -- (Interjection) -- I couldn't hear the Honourable Minister.

I'm not sure under the provisions of the bill whether this also means that the government will go into the tourist business on their own or is it as the Member for Fort Garry pointed out, that it is a means of just taxing outfitters, I think as they're named -- (Interjection) -- I'm not condemning them on this; if they're going to build facilities up our way, I'm all for it, but -- (Interjection) -- oh, the Canadian Government under the bill, they're going to contribute large amounts of money. -- (Interjection) -- The Honourable Member for St. Boniface doesn't believe in Santa Claus, I imagine.

Anyway, Mr. Speaker, I would like to hear some further comments from the Minister on this so that there's no doubt about it, whether or not such an agreement will be made and may be forthcoming from the Federal Government, so that we can look forward to some assistance

(MR. FROESE, cont'd.) . . . . from the Canadian Government towards tourism in Manitoba.

MR. SPEAKER: The Honourable Member for Charleswood.

MR. MOUG: I beg to move, seconded by the Honourable Member for Brandon West, that debate be adjourned.

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

MR. SPEAKER: The Honourable Attorney-General.

HON. A. H. MACKLING, Q. C. (Attorney-General)(St. James): Mr. Speaker, I move, seconded by the Honourable Minister of Mines and Resources, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the following bill: No. 3, An Act to amend The Liquor Control Act.

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 Winnipeg Centre in the Chair.

#### COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: Bill No. 3, An Act to amend The Liquor Control Act. Section No. 1 -- passed; 2 --

MR. J. WALLY MCKENZIE (Roblin): Mr. Chairman, the Attorney-General's here today, maybe he can clear up the questions that I raised.

MR. CHAIRMAN: The Attorney-General.

MR. MACKLING: Mr. Chairman, I regret the fact that I wasn't in the House when this bill came before the Committee of the Whole, but I make no apology for my not being here. I'll perhaps indulge in some consideration of those two words again some time later, perhaps this afternoon or this evening.

The Honourable Member from Roblin earlier had indicated a concern in respect to the ability of someone who held a restaurant, beer and wine licence being enabled to have the privilege of serving simple, hard liquor, alcoholic drinks to customers, and questioned whether or not that could not be possible and perhaps some simple amendment might be all that's necessary. I indicated to him that I didn't think it could inasmuch as within the Liquor Control Act itself, as passed by previous Legislatures, there had been an entrenchment of certain types of licences - beer parlor licences; beverage room licences; restaurant, beer and wine licences; dining room licences; cabaret licences and so on - and these particular types of licence were specifically provided for, not only in the Act but they were the recommendations of the Commission which resulted in the establishment of the principles as carried out in the Act.

The Act went further in accordance with the Commission's report and provided for certain types of option, certain types of voting, so that people in a community could vote for certain types of licences. And that is the case. People can vote for permission for an individual in an area to obtain a restaurant, beer and wine licence but not a cocktail room licence, so specific votes have been taken in most areas as to the category of licences that they would provide in those areas and we can't simply graft an amendment on and undo all the careful distinguishing characteristics and provisions that have been made to the various types of licences.

I think we're living in an area, in an era I should say, where people are prepared perhaps to review this whole question again, and I had last year indicated that I would be prepared at some time to review the entire Act. And I think that that would be desirable, but from a priority point of view - you know, when you have so much other prior legislation - I think that we have taken away some of the very frustrating provisions of the Act in the past and I think it's much more liberal in the small "l" connotation than it was. I think it had to be updated in many respects, and I don't pretend, Mr. Chairman, to suggest that it should end where we left it, but I don't see the urgency of attempting to graft on bits and pieces of amendments to accomplish what would be required by a complete review and study. So I think that answers the honourable member's enquiry.

MR. MCKENZIE: Thank you, Mr. Chairman. That I think satisfies my enquiry, is the fact that we'll be reviewing it in due time.

MR. CHAIRMAN: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Mr. Chairman, just very briefly I would like to suggest that I was very happy to hear the comments made by the Honourable Attorney-General. I'm in full agreement that the Act ought to be reviewed in its entirety. I think that what we are experiencing now is liberalizing the legislation of the past, which is a good measure and maybe we're not doing it fast enough, but at the same time we're forgetting the punitive measures

(MR. GIRARD, cont'd.) . . . . that are retained within the Act. Consequently, the two don't seem to go together well enough, and I'm enthused to hear the constructive suggestions of the Minister that the Act should entirely be reviewed.

MR. CHAIRMAN: (The remainder of Bill No. 3 was read and passed.) Committee rise. Call in the Speaker.

IN SESSION

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. J. R. (BUD) BOYCE (Winnipeg Centre): Mr. Speaker, I beg to move, seconded by the Member from Flin Flon, that the report of the committee be received.

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

MR. SPEAKER: The Honourable Attorney-General.

BILL NO. 3 was read a third time and passed.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call Bill No. 16, please.

MR. SPEAKER: Did the Honourable Leader say 16? On the proposed motion of the Honourable Minister of Consumer and Corporate Affairs. The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, I adjourned this debate for the Honourable Member for Brandon.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, we have examined this bill and we have the assurances of the Minister that this is really a housekeeping bill, and it will be our duty then to decide whether this is good housekeeping, whether it should have our seal of approval or whether there are any parts in it that need to be reviewed.

One of the points that appears to need some further explanation is contained in the parts which would enlarge upon the authority of people in the various departments of government to have signing authority, and the proposal as it now reads is that they would strike out the words "minister or deputy minister of the department affected" and substitute therefore the words "member of the Executive Council in charge of the department affected or his deputy" - and here is the part that we are looking at with some concern - "or his deputy, or any other officer or official of that department designated for the purpose of this section by the member of the Executive Council in charge of that department".

Mr. Speaker, this seems to me to be a rather broad move away from having two people whose official responsibilities are clearly defined as the Minister or deputy, and proposing to substitute the officer responsible for that particular department or any other officer or official of that department. Now, our concern is that it might be possible for approvals to be given under circumstances where officials in a senior position in that department were not immediately available and it would then be the authority of the Minister to designate some other person. We feel that there's a possibility here that the affairs of the department and the continuity in that department may be clouded in some way by this dilution of authority, and it would be our view that if there are additional persons to be given responsibility, signing authority, then they should be designated by office in the department. I think there would be no objection to perhaps enlarging it somewhat if it's going to facilitate the passage of business, the work of the department is to go along with less delay by having additional people with the authority to commit the department, but it seems to me, Mr. Speaker, that it would be a much tidier housekeeping job if the Minister would say specifically which positions are now given that responsibility and that authority. These would presumably be senior people. They would include people additional to the Deputy Minister if this is needed, and no doubt it is otherwise this bill would not have been brought forward.

These are our concerns, Mr. Speaker, and we hope that the Minister in his summation will be able to provide us with assurance that this is not just a dilution of lines of authority in a department and that there can be a clearer definition than we would read from the amendment as he now proposes it.

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Consumer and Corporate Affairs.

HON. BEN HANUSCHAK (Minister of Consumer, Corporate & Internal Services) (Burrows): Mr. Speaker, if no one else wishes to participate in debate, I would like to reply to the matters raised by the Honourable Member for Brandon West.

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

What the honourable member is concerned about is really in line with similar provisions related to general administrative authority that is given to senior staff members in all departments with respect to the management of day-to-day affairs and it is in no way a dilution of lines of authority as the honourable member felt that it may be. It's simply to expedite the day-to-day operations of the various departments. Within the Government Purchases Act there are, I feel, ample controls and checks to avoid any abuses which anyone may be fearful that may occur.

Under the provisions, as just pointed out to me by the Honourable Minister of Finance, Section 10, subsection (1) of the Executive Government Act makes provision for delegation of Ministerial powers and I may assure the honourable member that it is not the intention -- this is simply in line with the provisions of the Executive Government Act and would not in any way exceed what is allowed by it, and certainly we do have in mind what the honourable member suggests, that this authority would extend to those holding administrative responsibility, branch heads and others in a similar capacity, and no one at any time would be allowed to assume any responsibility greater than he normally has as per his assignment, as per his responsibility, his position within his department.

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

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I understand that the Honourable Member for La Verendrye has indicated that he is prepared to speak on Bill 15, The Lotteries Act, which of course can only come back by consent, by leave, but if that is correct, then I would ask leave of the House to revert to Bill 15 so that the Member for La Verendrye could speak. (Agreed)

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BARKMAN: Mr. Speaker, I know that the bill has been before us for quite a while and I thought what little I had to say, I didn't want to hold up the bill although I cannot assure that anyone else after me is not going to speak; I'm sure they're welcome if they wish to.

I wish to say a few words on this bill though, and I think I can place my position quite clearly that I am definitely against this bill, or against allowing lotteries to become legalized, or in my words, I'd like to say it is the same as legalizing gambling. I think that this carries with it a lot of responsibilities, not just from a government that I at one time thought, not too many years ago, would not stoop to this kind of trying to get hold of moneys. I particularly got that impression over the years - I don't know why, maybe I was wrong - but somehow I felt that this was one thing that we wouldn't see during their regime or during their term of office.

However, my main principle of being against the lotteries bill is the fact that if this still passes, as far as I'm concerned, the public can then quite openly know and believe that Manitoba has legalized gambling and it exists for perhaps the rest of time.

There are a lot of other principles involved in this Bill that I think we could be talking out, and perhaps one of them is that if this government, as it now looks, has decided that they wish to go into allowing legalized gambling perhaps they could have, at least in my opinion, first of all, to a great extent kept up the honour and prestige of a government that I - any government for that matter, in my opinion, should not be thinking of allowing lotteries at any time - but if they have come to the decision that they must have a lottery and they want to have a lottery, at least as far as I am concerned they should only regulate a lottery or regulate this type of legalized gambling and not be the sole operators. I think this could easily be done by perhaps appointing one of the many boards - there are so many boards now - that either the Racing Board or perhaps we could name three or four others and maybe run it under - call it a Gaming Commission or whatever you will - but I think the government should not be in the operations. If they have to go to the point where they think they must have lotteries, well then let them regulate them.

I couldn't help but think when the Member of Swan River was speaking the other day, this will have quite an impact on many small service clubs and many small communities. The Honourable Member for Rhineland even mentioned sewing circles. I'm not quite sure just how much money they're going to lose, but they are small clubs that need this type of money and they'll have to compete with a kind of lottery, more than likely, where the prizes are going to be much larger than the ones that small service clubs can afford, and I'm sure that all of us know that these small bingo games, or call them what you like, they have been raising quite a bit of money in a lot of communities.

(MR. BARKMAN, cont'd.) . . . . .

However I believe, as my colleague mentioned the other day, that we are perhaps in the belief that lotteries will raise such terrible large sums of money. I still, from information I've tried to gather, I'm still not of the opinion - and as he mentioned the other day, take the State of Nevada, is getting more out of their sales tax than they're getting from their total lotteries and I'm sure the same applies to the State of New York. I understand they are only making about \$21 million out of all the lotteries that they have down there and who knows how much of it is profit.

The other point I wish to agree with so many - and I don't intend to belabour it - but I think, as do most of the members in this House and this Chamber, the people that are going to be buying these tickets, these lottery tickets, are the people that can least afford to buy these tickets. They are going to be spending a much higher percentage of their income than perhaps any of us in the Chamber and perhaps than most of the people of Manitoba. I think this is a very very serious point, especially coming from a government that has over the years kind of led us to believe that they were the champion of the small person. I don't think that this bill here is going to make you any more famous for that - if you want to call it a tribute or whatever you would wish to call it - I think it's serious because we're going into lottery on a very small basis to start perhaps, and you may say that if we aren't going to our money is going to go elsewhere, but I don't think that is the solution and I don't think that that gives this government or any other government the right to go into allowing legalized gambling.

So, Mr. Speaker, I thought I had to say a few words on this matter, and I must again repeat that I'm sorry to see this government, or any other government for that matter, that wishes to go into this should take a second look at it. I thought it quite fitting when somebody brought up the other day, that some of the Ministers had changed their mind who were so much against lotteries just a year ago, and perhaps I can see no sin in changing one's mind and sometimes it's for the good, but in this case I hope they change their mind once more and get right back in the good old track that they were approximately one year back.

So, Mr. Speaker, in my opinion, the farthest that any government should go in any kind of lottery, if they wish to accept the first principle that gambling should be legalized, then for goodness sake just regulate it, don't operate it.

MR. SPEAKER: The question remains in the name of the Honourable Member for Gladstone, is that correct? I believe he asked it to be stood. I'm sorry, I've been informed. Are you ready for the question? The Honourable the Attorney-General.

MR. MACKLING: Mr. Speaker, in speaking, I would be closing the debate. I think, Mr. Speaker, there has been a very complete discussion about the merits of lotteries in general, and the retrospection that has been cast in this House as to the thinking of some of my colleagues in respect to this matter has been brought forcibly to the attention of members of the House and there has been some degree of soul-searching and consideration for what is right for the morals and the goodwill of society, and all that is to the good, Mr. Speaker. I don't deprecate any of that.

What I want to do first of all, Mr. Speaker, is make it clear that the whole question about the legalization of forms of gambling, the whole question about the legalization of any aspects of gambling was decided, not by this House which has a responsibility in this area but by our senior Federal Parliament, and I am confident, Mr. Speaker, that hours and hours and days of debate preceded a final statement of policy by the government that enacted the amendments to the Criminal Code which have placed upon the provincial Legislatures the onus of providing for a measure of legalization for certain specific forms of gambling, and the Federal Government didn't cast this onus onto the provincial Legislatures lightly. I'm sure there was a great deal of reluctance on the part of the federal parliamentarians to legalize the various forms of gambling that were finally recommended, but I'm sure that there was a recognition that certain types of gambling are a fact of the everyday life of many people throughout the country, and in order to enforce the criminal law it would have meant bringing actions against all sorts of organizations whose intentions were to do nothing illegal but to raise money for common good as that particular organization determined. -- (Interjection) -- All right; I understand that I must break off here, Mr. Speaker.

#### ROYAL ASSENT

Deputy Sergeant-at-Arms: His Honour the Lieutenant-Governor.

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

MR. CLERK: No. 3 - An Act to amend The Liquor Control Act.

No. 13 - An Act to amend The Public Schools Act (1).

No. 14 - An Act to amend The Public Schools Act (2).

No. 18 - An Act to authorize the payment of Special Emergency Grants to farmers.

In Her Majesty's name, His Honour the Lieutenant-Governor doth assent to these bills.

GOVERNMENT BILLS (Cont'd.)

MR. SPEAKER: The Honourable the Attorney-General.

MR. MACKLING: Thank you, Mr. Speaker. It is clear then, Mr. Speaker, that the whole question about the desirability of some form of regulation, some form of control over certain types of lotteries which were a fact of everyday life was manifest by the Federal Parliament when they made specific recommendations, which were accepted by majority obviously of the House of Commons and the Senate and became law in Canada. It was incumbent upon the various provinces to respond to the Federal Government's legislation. And all of the various provinces have in some form responded. We checked, our government checked with our sister provinces and were able to exchange information as to the types of regulations which they were providing for the types of lotteries which the Federal Parliament had indicated were in common use obviously and where regulations were desirable.

I think I indicated when I had an opportunity earlier, Mr. Speaker, that the regulations which we passed provided for local authorities to licence various types of lotteries as provided for by Section 179 (a) of the Criminal Code, but we gave them specific guidelines so that they would have the best advice we could give them as to how best to ensure the proper administration and the regulation of lotteries for which they granted licences. That was done and was done in a very proper and reasonable and responsible way as quickly as we could, and that gave to the local communities ample scope to deal with the average community organization lottery scheme. So the questions that have been raised, Mr. Speaker, by honourable members that somehow the proposal that we're bringing impedes, frustrates or does away with the autonomy of local organizations is not so.

There was some criticism brought about the section of this bill which provided for the establishment of a committee to screen lotteries, certain types of lotteries that the Federal Parliament made it incumbent upon us to deal with, but the fact of the matter is that we don't have to have legislative approval for the establishment of a committee. Section 179 (a) Clause 1, sub-clause (c) and (d) and (e) and the other clauses uses this wording: "For charitable or religious organization under the authority of a licence issued by the Lieutenant-Governor-in-Council of a province" - and listen to this phrase, Mr. Speaker - "or by such other person or authority in the province as may be specified" not by the Legislature but "by the Lieutenant-Governor-in-Council thereof." Now, "not by the Legislature" were my words. The fact is it says "some authority as specified by the Lieutenant-Governor-in-Council."

I indicated, Mr. Speaker, in my remarks that there were various categories of lotteries - fairs, exhibitions and so on - and the Lieutenant-Governor-in-Council, as is the Federal Government, is rather reluctant to be overburdened by lotteries applications and the processing thereof and it was only reasonable delegation of some authority to refer to a committee to process the types of application for which a local authority couldn't grant a licence, and a Lotteries Licensing Board was established for this purpose. We didn't have to come to the House for that authority. We did it; we had to do it; we'd only be encumbered with reams and reams of paper and time taken up in decisions for which we are less than enthusiastic.

The fact of the matter is this Board is a non-profit one. The charges they make will approximate the costs of the Board. They're handling a considerable number of lotteries. In addition, they'll be able to make recommendations where there is an organization or some applicant that is obviously not following the regulations that are provided for by the Board in respect to the various type of licence, because let me assure you, Mr. Speaker, that the Federal Government expects the provinces to administer this law very carefully and that's incumbent upon us, to make sure that this just isn't left so a lot of people can set up lotteries in a haphazard manner, take money from people and really pay no prizes or never really get the lottery

(MR. MACKLING cont'd.) . . . . fully established and completed. So those responsibilities have been provided for in the regulations themselves.

Now, it's difficult for me to review in detail all of the submissions that have been made by various members who have spoken, but there seems to be one major concern, that perhaps our government is going to be taking funds from lotteries, which is something less than the most desirable form of raising money for a cause, and taking that money for the general funding of government purposes. And that's not so. When we originally drafted the bill, the bill provides that the funds will go to the Consolidated Fund but be earmarked for cultural and recreational purposes. And I think it's quite clear that is our intent, but honourable members, on the other side of the House particularly, have some misgivings. They don't necessarily trust this government as they would perhaps some other government. I don't know, Mr. Speaker -- Well, any administration. Well some, like the Honourable Member from Swan River, had more sophistication to his arguments. But the fact of the matter is that that intent was clear in the bill that was distributed, but to make doubly sure the Department of Finance made specific recommendations and the Legislative draftsmen had prepared these for me and there will be specific recommendations, Mr. Speaker, to provide for the specialization in trusts within the Consolidated Fund to ensure that the monies that come from a provincial lottery or lotteries will be earmarked into special funds - Trust Funds - the application of which funds will be to cultural and recreational purposes, so that the misapprehensions and misgivings are certainly untoward, Mr. Speaker.

There will be other minor technical amendments for which provision has been made that will be brought when the bill is before Law Amendments Committee. One for example which will provide not for the hiring by the Commission itself but the hiring of staff will be through the Civil Service Commission which is a very reasonable and responsible suggestion and so on. So, Mr. Speaker, the specific concern that the funds would be used for general purposes of government has never been the intention from the outset in the drafting of the bill, in the presentation of the bill, and to make doubly certain, it was our intention and is our intention to in Law Amendments Committee make such amendments as are necessary to enshrine that within the bill itself.

Now, Mr. Speaker, having said that, I hesitate to reflect on the excellence of the various contributions in respect to the argument advanced in respect of this bill, but there was a concerted attempt to embarrass some of my colleagues in respect to their position. But as -- (Interjection) -- Oh, I'm all wrong; well I'm happy. You know, Mr. Speaker, I'm one of those that I'm happy occasionally to be found to be wrong, but the honourable member over there seems to be delighted about that. The fact of the matter is, Mr. Speaker, that there seems to be some peculiar thinking on the part of some members opposite because it's some sort of a dramatic reversal of their positions they held on a previous occasion. -- (Interjection) -- Now we can hear them: I didn't change either; it wasn't me; not I; who shall it be, not I, they all say. I think particularly of my former colleague the Member for Sturgeon Creek who appears to be very strongly opposed to the bill although he supported the Centennial Lottery Act with very little difficulty.

The fact of the matter is, Mr. Speaker, that not one but innumerable organizations have been writing to us and phoning us and saying when are you going to get this provincial lottery going because it was such a good thing for us to have been involved with last year. We didn't have to have an administrative committee; we didn't have to hire a printer; we didn't have to get a lawyer to make sure that everything was properly done. All we did was pick up the tickets and sell them and we got approximately 45 percent of the sale value of the tickets. It was something that we liked and we'd like to see it continued with; please get on with it. I have difficulty explaining why we're delayed because the people in this province apparently want it. The fact of the matter is that a lot of the local organizations, rather than running their own lottery at substantial administrative costs, would prefer to be involved in a provincial lottery as sales agents and making the 45, approximately 45 percent commission without indulging in all the administrative costs and all the responsibilities that are involved. That was the case in the previous year and they say - why, for goodness sake, don't you get that through? What's holding it up? I'm at a loss to understand why the great soul-searching and misgivings on the part of some. -- (Interjection) -- The honourable member wishes to ask a question, I assume, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Charleswood.

MR. MOUG: Mr. Speaker, I was wondering in regards to delay, I think there's justified

(MR. MOUG cont'd.) . . . . reason. The Highways Minister could tell you it's a lousy . . .

MR. SPEAKER: Order please. There was no question. The Honourable Attorney-General. The Honourable Member for Souris-Killarney.

MR. EARL MCKELLAR (Souris-Killarney): Would you table all those letters that you have from all those organizations, communities in the province who are wanting you to set up this lottery?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, I'd be happy to lay on the table almost anything that the Member from Souris-Killarney would ask because he's such a nice person, but the fact of the matter is that I don't think it's worth my time to have to go back to every one of these groups and ask them whether I can bare the confidence or establish their position by laying on the table their letter to me or making the notes of their phone call available to the honourable member and other members of this House. I think it's a wasted exercise. Surely the honourable member, Mr. Speaker, can have a reasonable amount, just a reasonable amount of faith and confidence in the integrity and honesty of someone who makes a representation of fact to this House - just a little bit, maybe a scintilla of faith, that's all we would need.

In any event, Mr. Speaker, I think that it would be wasting too much time of the House to go through the detailed arguments that were presented, largely repetitious of the concerns that this would be eroding the rights of local communities to have their own lotteries - that is just without any foundation of fact; that somehow the government is going to use this as another form of financing which is destructive of what this government has stood for in the past - and that has no foundation in fact. -- (Interjection) -- Oh, now, we're getting some irresponsible murmuring from across the Chamber, Mr. Speaker, which certainly don't sound musical to my ears. I really don't think, Mr. Speaker, that there is need for me to reflect further on the observations of some of the members opposite.

The Honourable Member from Rhineland did ask some questions for which I don't have the immediate answers because we haven't passed the legislation. He asked, do you know -- what about fiscal year? There will be a report. The bill provides for a report. Surely the Legislature is going to sit once a year, and we'll make sure there's a report and we'll make sure that there'll be a fiscal report involved in that report, so I don't think that he need have any apprehensions about that.

I think, Mr. Speaker, that that ought to be all that is necessary that I say. I don't know whether I have convinced anyone of the misgivings or of their unnecessary misgivings opposite. I still believe you know that I'm as optimistic as some of the honourable members, particularly the Member from Charleswood that, you know, people sometimes will accept that their positions were perhaps held in error and I hope from time to time that I am able to influence the thinking and the position of some members opposite. And with that note of optimism, Mr. Speaker, I will take my place.

MR. SPEAKER: Order, please. The debate is closed. A question by the Honourable Member for Swan River. The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Could the Minister explain to us what he meant in his general statement in tabling the bill in the beginning, that it would have the effect of elimination of the proliferation, as I recall it, of local lotteries?

MR. MACKLING. I'm very happy that that question was put to me, because it reminds me of that observation that was made. I spoke extemporaneously, as I prefer to do and obviously if you'd reflected, or members had reflected on the intent, was that organizations who say that they want to raise money, and would prefer to raise money under the aegis of, as agents of a provincial lottery, if there isn't going to be a provincial lottery, then all of them will want to have a system whereby they can raise funds, because they were - what was it, I recall, about 400 - 400 organizations that raised a terrific amount of money and they'll all want to have a lottery; and proliferation of the administrative expense will mean it'll be a lot less money go into cultural and recreational affairs, and a lot more money go into a wasted duplication of effort; and I hope that by passing the Act, we will be enabled to prevent a proliferation of lotteries that needn't have been if we can pass the Act. If we don't pass the Act then we're going to have over 400 organizations who are going to have to find some alternative method; the logical thing to them would be to run their own lottery.

MR. SPEAKER: The Honourable Member for Swan River.

MR. BILTON: The Minister a few moments ago mentioned the development of a trust fund. I hope I'm not being too presumptuous, but I presume that he intends that to come in as

(MR. BILTON cont'd.) . . . . . an amendment to the bill?

MR. MACKLING: Yes, Mr. Speaker, I thought I made that quite clear that certain amendments would be made to the bill to provide for an entrenchment within the bill itself of the fact that the monies that are earmarked into consolidated fund are earmarked in a trust fund within the consolidated fund for recreation and cultural purposes.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, I have just one question for the Minister. Is he going to provide reasonable time for any possible submissions by the public to Law Amendments or will Law Amendments be called on Monday morning?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Chairman, I haven't discussed this with the House Leader, but I know from my observations while absent from the House that wide publicity has been given to the debate that's been going on here, and I assume that there may be some substantial interest, and I assume that the usual arrangements will be made to ensure that there is adequate notice of the Law Amendments' meeting.

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

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): I wonder, Mr. Speaker, whether you would kindly call the adjourned debate on Bill No. 25.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Consumer and Corporate Affairs. The Honourable Member for Brandon West. (Stand)

. . . . . Continued on next page

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Education, 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 Winnipeg Centre in the Chair.

#### COMMITTEE OF SUPPLY

MR. CHAIRMAN: 61(a) -- The Minister of Labour.

MR. PAULLEY: Mr. Chairman, the other day while we were discussing the Estimates of the Department of Labour, one or two comments were made by members opposite that I haven't had an opportunity of answering, some of which were asked by the Honourable Member of Assiniboia. I see he's not in his seat at the present time and I will defer for the time being at least answering those, if -- in the event my honourable friend may return.

I do want, Mr. Chairman, to make reference to some points made by the Honourable Member for Emerson, and I read, re-read and after having listened to the remarks of my honourable friend from Emerson, I think, however, that I must put him straight and the record straight regarding his attitude on statements pertaining to the Workmen's Compensation Board. My honourable friend indicated, to quote him from Hansard, that the Workmen's Compensation Board is really a redundant and rather useless kind of organization. I'm sure that my honourable friend must have spoke either in haste or without knowledge of what the consequences would be if the Board was abolished because of redundancy or uselessness, and I want to suggest to my honourable friend that such is not the case.

And then he also suggested that claimants for compensation have in some cases had to wait years to receive about half of what they could have received on welfare. It's a fine statement, but my honourable friend indicates a lack of knowledge of Workmen's Compensation by such a statement. I would say to my honourable friend what he really is suggesting is that the Board be abolished and the old process of compensation for injured workmen be reinstated and turn the clock back to long ago when we didn't have a Workmen's Compensation Board and a Workmen's Compensation Act. And at that particular time -- (Interjection) -- I'm suggesting to my honourable friend, Mr. Chairman, that if the Board was abolished because of redundancy, and if my honourable friend would read his remarks that inference is certainly there, the only alternative would be for the individual to be charged with the onus of, through the courts of law, making claims for injuries received at work. This was the practice prior to the establishment of the Workmen's Compensation Board.

I might say that it's my understanding there are still one or two jurisdictions in the United States that have that type of action required by an injured workman. But what it would really mean, Mr. Chairman, is that the workmen would be required to go to the courts and fight for their rights for compensation as a result of accident and this of course would mean heavy costs of litigation for the individual workman concerned which he doesn't have under Workmen's Compensation Board at the present time.

My honourable friend also mentioned a proposition that it would be cheaper or better for the injured workmen to be placed on welfare and I suggest to him that this is a direct invitation to relieve the employer of responsibility for provision of the financial compensation as they do at the present time and this could well amount to over a million dollars of additional welfare costs to the public treasury in respect of injured workmen, and that of course is now being placed on industry itself at no cost to the individual workman himself. So I suggest to my honourable friend that he re-read what he said and I would be more than happy to have him meet with me so that I would be able to give him more information as to the facts of life pertaining to Workmen's Compensation. And I have said privately, and now I will state in the House that if my honourable friend from Emerson or any other member of this House has any complaints, their constituents or anyone else in respect of Workmen's Compensation, the Department of Labour, and in particular my executive assistant, would be more than pleased to render whatever help we can in having the matter resolved.

There were other remarks made by my honourable friend that I think that I covered generally in my discourse the other evening. I was just starting to try and answer some of the questions raised by the Honourable Member for Assiniboia when the hour of adjournment was reached, Mr. Chairman, and as I indicated the other day, I appreciated the approach of

(MR. PAULLEY cont'd.) . . . . . the honourable member to the problems of labour and as he sees the problems of the department, even to the degree I believe when one honourable member opposite suggested that he might join my staff as deputy minister. I want to say that in my opinion I have a very efficient and capable deputy minister at the present time, but possibly in the event that the position becomes vacant I might even consider the Honourable Member for Assiniboia, particularly because I noted the other day that some of his former friends have left him now, if news reports are correct, because rather than being a firm supporter of the traditional position of management he is now inclined to lean with favour into the problems of labour. So he's working along the right way. And if he could only convince some of the other members in opposition I would be grateful and thankful, as indeed I'm sure the working forces of Manitoba would be.

My honourable friend raised the question of investigation and assessment of the results of automation in industry and displacement of employees. I want to assure my honourable friend that investigations are going on. Fortunately by and large in Manitoba it hasn't been a problem as yet because most of our industries are relatively small, but I note with interest the new federal legislation, and full consideration is being given to the problem. I also want to say to my friend, he may not be aware of what occurred in the Rolling Mills at Selkirk, where as a result of automation there was some displacement of employees but by agreement between management and labour to the United Steel Workers arrangements were made so that the impact would not be too heavy.

My friend raised the question of sheltered workshops and in this particular area while it does not come under the Department of Labour directly, we have a continuing assessment of programs that are going on and keep ourselves as knowledgeable as possible, and at the present time in the sheltered workshops which are either under the Workmen's Compensation Board through the Rehab Hospital or by the Department of Health, there apparently are about 806 that might be termed in that general area, not all being paid may I say, and I think this is really the point of my honourable friend. But the sheltered employees who are getting some remuneration, the number is relatively small, according to this information there are about 93 that are - about 60 percent productive. It is an area of great concern to us all, I am sure, Mr. Chairman, but I thought the member would be interested to have this advice, and I can send him a copy of this letter that I have, because it deals with acute vocation rehabilitation, at the Rehab Hospital, generally through the Workmen's Compensation and then also in some areas sheltered workshops of the mentally retarded are in the Department of Health directly and some efforts are made.

In this connection, Mr. Chairman, I'd like to pay a tribute to some of the work that's going on at Portage Hospital for the Mentally Retarded. I was highly honoured last year by the hospital and the patients in the hospital in receiving a large carpet woven by the retarded children, mainly at Portage la Prairie, a hand hooked rug symbolizing the hundredth anniversary of our province, and have on occasion bought little statuettes and the likes of that made by the inmates or patients at the Portage Home, and I would recommend to all members of the committee that they take a trip out to Portage and see the display of the work that is being done out there by the patients and possibly add to their efforts by purchasing some of the results of their labours.

My honourable friend also mentioned the matter of noise pollution and here, too, it's not the direct concern of the Department of Labour, but we have been involved to a considerable degree through people feeling that this is a matter for the Department of Labour. It's mainly in the Department of Health again as noise pollution, and also the Department of Mines and Natural Resources. Studies are going on and efforts are being made to continuously educate the people of Manitoba as to the harmful results of noise pollution, and reference is also made on this matter. The Employment Safety Act and Regulations administered by the Workmen's Compensation Board has provisions to protect employees from noise hazards and also, as I mentioned, the Department of Health, and with respect to the protection of the general public from noise pollution we do not currently have legislation but the matter is under careful study by the Department of Health. It may now be under Mines and Natural Resources because of a transfer of pollution and eventually I'm sure that it will result in further legislation.

My honourable friend raised a very interesting subject matter dealing with international unions and I think that it would only be proper for me, a member of an international union, to make a comment or two regarding the same. It's hard to, so I am informed, to obtain any

(MR. PAULLEY cont'd.) . . . . . precise statistical information. My honourable friend may recall, in 1962 I believe it was, an Act was passed at the federal level making a requirement of trade unions and international corporations to file returns with the department as to their funds and the disposition of their funds and some reports are coming in now; for 1968, the report just came in at the beginning of this year so we're quite aware that we haven't got the information. But I do want to say to my honourable friend that as far as I'm able to obtain the information, the outflow of Canadian dues isn't very much greater than the inflow back into Canada, either as direct contributions to organizations for organizational purposes, strike pay when there's a long prolonged strike; and I think, Mr. Chairman, it would be only proper for us to recognize that at the turn of the century it was really necessary to be able to use the expertise of the international trade unions until this young fledgling country got on its feet in respect of trade unions.

There is a growing desire to have more Canadian unions, and I appreciate this. As a matter of fact, I believe President Meaney of the American Federation of Labour said that they were prepared to take a good close look at the present setup and possibly have some changes made and I do know that some organizations are - Canadian sections are becoming more autonomous as the days go on.

I think, Mr. Chairman, that that generally answers the questions that were posed the other night; so if there are any further questions I'd be pleased to answer them. If not, possibly we could get on with the job of passing the estimates of the department.

MR. CHAIRMAN: The Member for Portage.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Chairman, just a brief comment and perhaps it will end in a question for the Minister. It's a known fact that both his party and I guess all parties in Canada give lip service to equal pay for equal work, talking about men and women doing the same job, so I would like to enlist his aid. I've been working on the Minister of Health and Social Services for about a year trying to correct an imbalance, in fact an injustice, although it's been there for many many years. I refer now to the custodial officers of the female institutions of the province. In the old days I suppose you'd call them guards but with the type of training they have and the professional training that they do have and the exacting work that they are performing, they should be receiving the same pay as the custodial people at Headingley Jail. I'm talking now about the ladies that work at the Portage Women's Jail. There's another institution at The Pas and I think there are some employed in Winnipeg. We are talking about 20 or 30 individuals but they are doing the same work exactly as the men custodial officers in our institutions and I think that this, injustice is what it is, should be corrected. I know it's been there for many many years and it's no one administration's fault but here's a chance for a government to show the way to private industry that where the work is the same then the pay should be the same.

I would like the Minister to help out in this regard and work with his colleague, the Minister of Health and Social Services and try and make the change this year, not a promise for the future.

MR. CHAIRMAN: The Minister of Labour.

MR. PAULLEY: If I may answer my honourable friend now when it's right on top of our minds, I want to indicate to my honourable friend that I'm the Chairman of the Joint Council Cabinet Committee meeting with the MGA and at the present time negotiations are going on between the negotiators for the province and for the MGEA. I'm sure that this will be a matter that will come under their consideration. I agree most heartily with my honourable friend that where like work is performed, like pay should be awarded. I might say, too, that I believe it is a first, for the first time, as far as I'm aware in recent years, not in the area the Honourable Member for Portage spoke of but in another area, I have caused a Commission of Enquiry as to why a young lady was not given the same pay for apparently doing the same work as one of her male counterparts. I haven't got the report yet but I'm waiting in anticipation. The matter is to the fore and while not guaranteeing, it is conceivable it will be favourably acted upon.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, I can't let the situation pass up and not make some comments on the Labour Department and especially under the Minister's salary. We've heard a number of presentations so far and heard the Minister's reply but it's not satisfactory to me. It seems to me that the Minister is not doing a good job after all and certainly when we look at

(MR. FROESE cont'd.) . . . . labour in Manitoba it doesn't satisfy me, for we have the report of 1969 and there is the following statement on Page 7: "The size of the Labour Force in Manitoba from November 1, 1968 to October 31, '69 averaged 376,000, an increase of two percent over the preceding 12 months." That was the year end of 1969.

Then we take at the last report and we find on Page 8, and I quote again: "The province's total labour force grew to an average of 380,000 in 1970, up from 373,000 the previous year." But here is the interesting statement: "Total employment averaged 363,000." Unchanged from 1969. No change at all. The only change I can find is that when I look at the Civil Service Commission Report and look under the Department of Labour that there is an increase of six positions, six jobs that he created for the people in Manitoba. That, Mr. Chairman, is a very very poor record. It's sad indeed.

Then when we look at B. C. we find a completely different picture. But here we have this government with six new jobs and yet they prided themselves with bringing in the best labour legislation. How they stood on this side and repeatedly spoke about the labour legislation that we should have. From 1966 on especially. Now we've had this government in office, they've brought in legislation, the so-called good legislation, and what do we find? No improvement in the labour force. Nothing. Six new positions. That's pretty good: Six new positions for the Minister. Is that what your priding me with? In running the department? A hundred years from now, a hundred years from now on that basis you'll have 600 new positions in Manitoba. That's something to look forward to, is it, Mr. Minister?

When I look to the British Columbia situation, this is where we have unloaded our unemployment. I'd like to read a few paragraphs from a copy of the British Columbia Government News; I'm quoting here and the Minister is here referring to the B. C. situation and he says in connection with labour: "The problem is of greater magnitude for British Columbia because of the continued large inflow of job seekers into the province from other provinces. Over the past year British Columbia's population growth rate was over 2-1/2 times and our labour force growth rate over three times the rate of the rest of Canada. In the light of these conditions the British Columbia government has had to review its position in relation to the economy. It is our view, bold new policies are required to stimulate the economy and provide jobs for our people." They have had this large group of influx, have taken care of them, provided all the new jobs and in addition to that they're taking care of the situation for the future as well.

I'd like to read another paragraph on the following page, and I'm quoting here: "The unique problems that result from our phenomenal growth . . .

MR. HANUSCHAK: Would the honourable member . . . identify the document that he's quoting from?

MR. FROESE: I already did; I told him it was the British Columbia Government News that I'm quoting from. And I'm quoting from the paper now: "The unique problems that result from our phenomenal population growth are a case in point. While our population is growing at over double the rate of the rest of Canada, the most striking characteristic is the large proportion of the increase coming from other regions of Canada." This is where our people are going. "During the past five years, for example, over 75 percent of our population has so originated and this trend continues. This large influx places immediate demands upon the physical and financial resources of British Columbia's communities. The majority of the wage earners in this migratory group, come searching for jobs so the community must create jobs for them. Many require retraining and government income maintenance support at the cost of British Columbia taxpayers. The new residents require housing at a time when mortgage interest rates are excessively high and availability of funds low which the British Columbia Government has countered with a large infusion of subsidized housing capital. They are entitled to the same high standard of government services in health, hospital and medical care, education and social services available to British Columbia residents. The Federal Government continues to ignore the excessively high cost placed upon taxpayers of British Columbia in having to meet the needs of these new residents from other provinces. By providing services and facilities to these people from the rest of Canada, it could be said that British Columbia is solving the problem of the rest of Canada."

In other words, Mr. Chairman, they not only have to deal with the problems that would arise naturally of their own increase, but they also have to take the share of the problems of the other provinces such as Manitoba, from which many people are leaving and going to British Columbia, the so-called poor labour legislated province. Yet what do we find? Apparently

(MR. FROESE cont'd.) . . . . the people think that the labour legislation in B.C. must not be so bad, otherwise they wouldn't go there. This is where we have the land of prosperity. We have to look to the Social Credit provinces for prosperity and this is where the people today go to. So I think it's about time that we get a Social Credit government in Manitoba so that people don't have to leave Manitoba in order to get good government, in order to get a government that will provide jobs for the people like B.C. does. I think maybe our Minister should go to B.C. and take a lesson from them so that he can come back and do a better job in Manitoba. -- (Interjection) -- The Member for La Verendrye says he'll pay a one-way ticket. That's pretty good of you Leonard.

When we take another look at the situation there, they have provided for many new jobs. This last year the job situation, in 1969 it was 836,000; it increased in 1970 to 877,000 - 41,000 new jobs; and here our report says unchanged, unchanged except for the six that the Minister employs in his department. Wow! What a record! Is this what we're supposed to expect in the years to come from our so-called good NDP government here? It is mighty poor.

I suggest that we better revert back to free enterprise and get the necessary investment from the people in Canada and from the people of the United States, for that matter, so that we can provide the necessary jobs; get new industry and create new business. This is what we must have in order to provide jobs and I'm just wondering how the Minister proposes in getting new jobs for the many people that are unemployed today. Certainly, this needs greater recognition and much more work on their part to get this rectified and I think they better take a second look at their philosophy and bring in more free enterprise business to correct the situation.

MR. CHAIRMAN: 61(a). The Minister of Labour.

MR. PAULLEY: Mr. Chairman, I appreciate the report from the far western province and I guess there's some increased employment there just now as the result of Her Majesty being up there. Maybe some of the nine percent unemployed in British Columbia will be put to work - one of the highest unemployment rates in the whole of the Dominion of Canada under that very virile free enterprise government headed by Premier Bennett.

I wonder if my honourable friend would care to really take a look into the statistics of British Columbia under his counterpart government. The most man-lost days as a result of strike of anywhere in Canada, and as I indicated - that's what my honourable friend advocates. I guess maybe - maybe if you coupled up the man-hour losses by strikes with the unemployment in British Columbia the average lost man hours could conceivably instead of being nine percent could total 12 percent, and if this is the free enterprise approach advocated by my honourable friend well then he can have it because I'm darned if I want it for Manitobans. -- (Interjection) -- Yes that's right, Flin Flon is now I'm pleased to note at long last, as the result of a few boots in certain places, I'm now informed that the Federal Government under a Liberal administration has got up off of its haunches and sent a negotiator back into Flin Flon to try and resolve their strike. Had it been ours we would have resolved it a long time ago, and I can assure you of that.

But my honourable friend the Member for Rhineland who is so wont to look at statistics very conveniently overlooked the facts insofar as employment is concerned as contained in the Labour Department report on Page 8, because if he'd take a second look, if he'd take a second look at the top of Page 8, he would find that the province's total labour force grew to an average of 380,000 in '70, up over 373 in '69. Now if that doesn't mean an average increase of 7,000 I don't understand my honourable friend. And this is despite the fact, and we recognized it, that our unemployment rate went up too from about 2.7 I believe average previous year to about four percent, 4.5; less than half of B.C.'s for the honourable friend's information.

But, Mr. Chairman, what a twister this member happens to be with figures. The Department of Labour did increase its staff by six people. It's staff by six people. You read it again. On the Civil Service -- (Interjection) -- that's right, Civil Service, that's right, Mr. Chairman. But I wonder if my honourable friend was in here when one of the members of the official opposition was giving us what-for for the increases in the total number of the Civil Service -- (Interjection) -- it was you, that's right - the Honourable Member for Fort Garry. Now here is a man here - this free enterpriser -- (Interjection) -- Oh he missed the caucus. Well you know some of his psychology could be well used in your caucus, your pronouncements on many occasions are right on beam between the two of you. There's no difference really in your basic psychology. I don't know why my honourable friend doesn't move over so he can get

(MR. PAULLEY cont'd.) . . . . on to more committees. Maybe that would be a solution to one of his problems because he certainly psychologically belongs over with you. But here we have the Member for Rhineland saying that all the Department of Labour did was create six jobs. — (Interjection) — No, if the report could talk it could tell you in clearer language what I'm trying to tell you, because it wouldn't be parliamentary for me to tell you what I thought of your presentation. However, that's beside the point, Mr. Chairman. The point is that despite increased unemployment our work force '70 over '69 did increase by 7,000, that our record of strike lost time is one of the best in Canada, the lowest in Canada. Our unemployment rate is one of the lowest in Canada and our labour legislation is fast becoming the model — Mr. Chairman, our labour legislation is fast becoming the model for all of Canada. And the complaints that I receive because of our advancement in labour legislation generally emanates from free enterprising British Columbia.

MR. CHAIRMAN: 61(a)—passed; The Member for Rhineland.

MR. FROESE: . . . I think when the Minister says that they've increased the labour force — 12 percent of that is in the Civil Service. Imagine 12 percent of the increase in the labour force was in the Civil Service!

MR. PAULLEY: . . . back on beam with your Conservatives now.

MR. FROESE: This is what we're getting — big government in Manitoba. Big heavy government. I certainly don't buy what the Minister says. We're exporting our problems. The people are leaving Manitoba in droves and it's up to this government to see that we keep them here, that we have conditions, that we have the climate here that they will want to stay. What do we see? The very reverse. People can't make a living so they have to move out and when I look at the labour rates or the wage rates out there, there's no comparison. I haven't got it with me but I notice that in so many trades and so many skills the rates are \$4.50 to \$5.50; they average about \$5.00 an hour. So these people are getting money so that they have purchasing power, that they have a livelihood and that they can buy their own homes, and here again the government is giving them a grant so that they can make a down payment of \$1,000, they provide them with \$170 homeowner grant now. It was increased \$10.00 this last session from \$160 to \$170 which is provided to each homeowner and there are 40 percent of the people in British Columbia do not pay a dollars worth of tax. They have \$1.00 which they call an administration fee. Forty percent of the people are not paying any property taxes. What is the situation in Manitoba? Farmers are going broke because of taxes. Six, seven, eight hundred dollars a quarter. How can you then blame the people for leaving Manitoba? You better take another look at that before you just discard these things too lightly. They are very valid and unless you will be doing something, more and more people will be leaving this province.

MR. CHAIRMAN: (Resolutions 61 to 63 were read and passed.) 64 . . .

MR. STEVE PATRICK (Assiniboia): Mr. Chairman, I have just one question on 64. I wish to thank the Minister for answering the questions that I've asked him. There is one that he left unanswered. That was the guaranteed basic or basic wage that the government talked about in the Throne Speech. I don't know, inadvertently he must have forgot it. I wonder if the government had any intentions of putting some four or five million dollars into a fund where they can give the people in the low income the basic level. I don't know if they had this in mind or not but I wish the Minister would explain what the government had in mind according to the Throne Speech.

The other point that I wanted to raise is the Administration Industrial Training Division which is responsible for apprenticeship. I've had some complaints that you have to have too many tradesmen to one apprentice. If the Minister can explain what is the policy. There has to be — in a shop you must have four tradesmen to one apprentice. Is there any policy in various groups how many apprentice people can you have in any shop?

MR. PAULLEY: Mr. Chairman, the Honourable Member for Assiniboia asks very proper and legitimate questions as he did the other day. So far as the apprentice ratio is concerned the matter is under review at the present time in general, but in particular in the electrical trades. By and large, regulations call for either three tradesmen to one apprentice or four tradesmen and this is generally normal. In the electrical trade, for some reason unbeknown to myself, there was an allowance of one apprentice to one tradesman which in my opinion is totally out of line and detrimental by and large to the industry. I intend to recommend changes as quickly as possible in that general field and I'm sure that my honourable friend would agree with the approach that we're taking. And it would be my desire eventually

(MR. PAULLEY cont'd.) . . . . . to have even a better balance - the suggestion at the present time is somewhere in the neighbourhood of two to one as a starter toward a more reasonable ratio between apprentices and mechanics. I think that answers that question of my friend.

As far as the guaranteed annual wage is concerned or annual income -- (Interjection) -- yes, some basic levels. We are taking a very close look at it. I must say that we haven't arrived at any methodology of being able to achieve that in one province alone. It would have to be related to a total picture. The only method that we have at the present time is to some degree through our minimum wage laws, that is as far as the application, Mr. Chairman, within the Department of Labour and in due course that will be to the fore. The other avenue being taken, again not satisfactory in total, is through the payments under social allowances. It's not the same as a guaranteed annual income, I'm sure my honourable friend will appreciate. It was mentioned in the Throne Speech, but more, if I recall correctly, in the context of the desired, but I want to assure my honourable friend we're taking a good close look at it.

MR. CHAIRMAN: 65(a) . . .

MR. FROESE: Mr. Chairman, under 65. How long does the Minister feel that this strike will go on at Flin Flon? Is there any indication that it might end and if so can he give the House any indication?

MR. PAULLEY: Mr. Chairman, my honourable friend listened to me like he read the report of the Department of Labour, because I made a statement just prior to my honourable friend giving me the history of British Columbia, to the effect that as of today there was a Federal negotiator on the job at Flin Flon after a lot of prodding. How long it's going to take him to resolve it, of course, I don't know. That's in the lap of the gods.

MR. CHAIRMAN: 65(a)--passed; (b)-- The Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Chairman, I'd like to direct a question to the Minister. On 65(a) there is an increase in the amount this year under salaries. Is this annual increment or is there some increase in the inspection staff in the Labour Relations Department?

MR. PAULLEY: Mr. Chairman, this gives me an opportunity of making an announcement that may be contained in the papers today in respect of Labour Relations. I'm pleased to announce that by Order-in-Council on my recommendation, Cabinet approved the appointment of Mr. Murdoch MacKay, Q. C. as Chairman of the Labour Board. This position has been vacant for some time but the position will be filled as of May 17, two weeks hence.

As far as the increase in the Estimates are concerned, it reflects increased staff in the Employment Standards Act department, which is part of Labour Relations, and provision is made for three additional inspectors in the Employment Standards Division. One in Winnipeg, additional, one in Brandon and for the benefit of my honourable friends from Thompson, for the first time an employment standards representative at Thompson. There is one new inspector in the Labour Relations Division and approval has been made for a welding inspector for the Mechanical and Engineering Division and we are hopeful, too, that a person will be placed at Thompson as soon as we can get somebody who will go up to the area of the Minister of Highways and Transportation and stay in Thompson. The position's approved; we're looking for a man.

MR. JENKINS: A supplementary question, Mr. Chairman. Is there any inspection staff in the Metropolitan area of Winnipeg now?

MR. PAULLEY: I'm not positive, Mr. Chairman. I'll get that information for my friend.

MR. CHAIRMAN: 65(a)--passed; (b)--passed: The Member for Souris-Killarney.

MR. MCKELLAR: I haven't spoken yet on this department so I just want to say a few words. Mr. Chairman, regarding fire prevention, I'm interested in how many fires that his department investigated during the past year, the total amount of damage caused by fires in Manitoba and also how many charges were laid, if any, during the past year. -- (Interjection) -- Yes, and one other question. Are you going to advise your Minister to go into the fire insurance business? Are you going to advise the Minister of Municipal Affairs to add to his present insurance policy - to go into the fire insurance business?

MR. PAULLEY: Well may I start out, Mr. Chairman, answering the last one first? It's always been my hope that the public would go into a self-insuring fire basis in all areas. This is one of the most lucrative areas of insurance that we have, and I will discuss it on the prodding of my honourable friend from Souris-Killarney with my colleague the Minister of

(MR. PAULLEY cont'd.) . . . . . Municipal Affairs.

Now I'm sorry, Mr. Chairman, I haven't got the report of the Fire Commissioner at hand but I'm sure that if my honourable friend from Souris-Killarney would look in the documents that I tabled he will find the Annual Report of the Fire Commissioner which will give him the answers to his questions.

MR. MCKELLAR: Mr. Chairman, I was wanting them for this past year because we have them - that's the year previous, that's up till March 31st, 1970. I want up till the year 1971, if he has the figures before him.

MR. PAULLEY: If memory serves me correctly, it's for the calendar year 1970 and it was tabled some two or three weeks ago by myself.

MR. CHAIRMAN: (Resolutions 65 and 66 were read and passed). 67(a)-- The Member for Rhineland.

MR. FROESE: Mr. Chairman, in connection with research, I would like to know from the Minister just what are we researching and could he give us the program for the coming year?

MR. PAULLEY: One of the areas we are researching constantly are the statistics from the Province of British Columbia and other areas as well. I'm wondering if the department uses one man completely in that whether we could reduce that six down to five for the benefit of my honourable friend.

What we do in the Department of Research, Mr. Chairman, is compile annually a wage survey of wages and hours of work for the benefit of industry and for the Civil Service and then from time to time research into such problems as raised by the Honourable Member for Assiniboia. The application of possibilities of guaranteed annual wages. Investigation as far as we can go into the matters of workmen's compensation, that is internal apart from the Workmen's Compensation Board itself; matters of minimum wage applications and the effects of legislation passed on industry. That's the general areas of research in the Department of Labour.

MR. CHAIRMAN: 7(a)--passed; (b)--passed; 67--passed. This completes the Department of Labour. The Attorney-General's Department, Item 21(c). The Attorney-General.

MR. MACKLING: Mr. Chairman, earlier on today I had an occasion to use a couple of words and I used them advisedly. I indicated that I had some regrets and yet I had no apologies, and I used them deliberately and advisedly because I was rather stunned by the comparison between the reporting by the Tribune and the Free Press of my remarks when I at last had an opportunity to be speaking in respect to questions raised during the introduction of my Estimates - and I refer to the issues of the Winnipeg Tribune and Winnipeg Free Press of almost a week ago, that is last Friday.

I was amazed, Mr. Speaker, that the Tribune in quite a caption in bold heading used the phraseology: "Mackling Offers House Apology." Now, I don't think that's fair to the House and I don't think that's fair to me. I made no such thing. I indicated I had some regrets about off the cuff and unrehearsed comments that I made in response to a telephone communication from Winnipeg to Halifax where I was then attending a convention and my feeling of inadequacy at those remarks, but I made no apology for the course of action that was followed.

By contrast, Mr. Chairman, the Winnipeg Free Press headlined, or the caption for the story was: "Mackling Sees No Impropriety." and I think that's a marked contrast. The Winnipeg Tribune article, I'm sorry to say, is a substantial distortion of what I indicated; the Winnipeg Free Press on the other hand, lo and behold, had come out with what I considered to be a fair accounting of my remarks, and so notwithstanding - again I'm getting some cackling from that favorite red henhouse over there, Mr. Chairman - not withstanding that, I wanted to point out that I understand it's not the individual reporters - I have nothing but respect for the individual reporters who prepare a story, submit it and what comes out is ofttimes unrecognizable either by them or the person whom they are quoting. -- (Interjection) -- Now maybe that's something, a suggestion that we could worthily pursue, Mr. Chairman, and if the honourable member would have advanced some funds, I'd join him.

MR. CHAIRMAN: Order, please. I allowed a certain amount of laxity the last time the committee sat for various reasons; I would ask all members to direct their comments to the Chair and the same thing will not happen again. The Attorney-General.

MR. MACKLING: Thank you, Mr. Chairman. As the article indicated and as Hansard will indicate, I had endeavoured to answer the remaining constructive criticisms that had been made of my remarks and the operation of my department, but at or near the conclusion of the

(MR. MACKLING cont'd.) . . . . normal sitting time I did endeavour to introduce to the House some of my observations, some of my comments in connection with what is now being considered some sort of a cause célèbre, the Ternette case. I was on my feet then, there was a general indication that the House didn't want me to go on, extend the time, and I took my seat. So, Mr. Chairman, before concluding my remarks respecting questions raised during the course of the introduction of my Estimates, I'd like to say a few more words relative to the Ternette case - and, Mr. Chairman, I am going to have notes for the press available so that there won't be any misconstruction of the remarks that I make.

Let me make it clear -- (Interjection) -- I'm a little more charitable than you, Bud. Let me make it clear, Mr. Chairman, that I have no personal knowledge of Mr. Ternette. I have learned by the media that apparently he is a member of the New Democratic Party. Let me make it clear also, Mr. Chairman, that my assessment of the facts and my decision that proceedings of obstruction should be stayed were not based on that gentleman's political views or attitudes. I will not question the right of any citizen of Manitoba to join any political party and vigorously pursue his own personal priorities. On the contrary, Mr. Chairman, I would vigorously fight for the right of every individual to manifest his political beliefs in the manner in which he considers it's responsible for him to do.

I do not however, Mr. Chairman, believe that Mr. Ternette acted responsibly in the conduct and attitude he demonstrated at the Winnipeg Arena last year when he among a large number of youths practised confrontation tactics against the Winnipeg City Police. Dissent in our society must be tolerated and its challenge accepted, and in fact welcomed in a free society, but dissent should not only be non-violent, but more important, should be responsible. Mr. Chairman, my department will not turn a blind eye on crime, whether it be major or minor in nature, but what my department will do, as this department has done in the past and hopefully will far into the future, will be to consider carefully all circumstances of any case, including the weight of evidence, the nature and quality of the act complained of, to determine the probability of securing a conviction, whether or not a particular charge is appropriate and whether or not the bringing of the charge in court would be in the public interest.

Now, Mr. Chairman, I know that honourable members might like me to go into a great many cases and determine whether or not in these given instances the individuals were politically motivated, and if they were politically motivated, whether they were Liberals or Conservatives or NDPs - or heaven forbid, Social Credit or some other political association. -- (Interjection) -- A new party - yes, maybe some new party. But just to illustrate, so that the House has an understanding of the kind of decision that sometimes is made within near the top of the administrative level in the department, I'd like to make some comment about a couple of other cases. Now, I indicated earlier, Mr. Chairman, that in our department the Crown Attorney has the responsibility of making preliminary judgments. He makes judgments on the basis of the facts, judgments that go to the basis of what charge is to be laid - and he's subject to error, he's human - sometimes he lays the wrong charge and it's changed. Sometimes he realizes error, sometimes he goes to someone superior to him for counselling and as a result of that makes change. In any event, you have senior people within the department looking and weighing and considering what is in the interests of the administration of justice of the province to pursue in a particular case.

Let me tell some of my critics about a couple of cases and we'll see how they would react. A charge was laid, Mr. Chairman, in a particular case - a young man charged in this case with having some indecent relations with a young girl. The facts were that this occurred in a transit shelter - young girl, young man - the father is quite offended; a charge was laid. The Crown Attorney responsible had laid a charge, but when in preparation for trial you find that the young girl was substantially retarded, had indicated an eagerness to the advances that were made to her, and the young man in addition was retarded, had no previous record and was doing reasonably well, is that the kind of case that one should force into court? I don't think anyone on that side of the House would say "yes", but you know there was a stay involved in that case. I don't know whether that young man, that young fellow was politically motivated. I hope that he is. I don't know what his political motivation might be, but good luck to him. But there was a stay in that case.

Let me tell you about a far more interesting case, and I won't use names, and I intend to say some very commendatory things about the Winnipeg police - and they deserve high praise, and the police in this province deserve high praise. But we all make mistakes and in

(MR. MACKLING cont'd.) . . . . . this case let me tell you the role of the policeman is not an easy one. In this particular case, Mr. Chairman, two policemen in plain clothes - and I wish that honourable members would listen to the details because unless they understand the details . . .

MR. CHAIRMAN: May we have some order so I can hear the Attorney-General's remarks, please.

MR. MACKLING: The details of the case as I recollect them are about as follows: two plain clothes detectives in an unmarked cruiser car driving around in a particular area because of a frequency of complaints involving molestation, attacks, assaults and so on, highly provocative behaviour - you know, criminal acts of a dangerous nature in a given area. They're on patrol and it's in the small hours of the morning, shortly after 12:00 o'clock - 12:30, quarter to one, 1:00 o'clock. They observed a young man walking down a darkened alley, they pursue him, stop the car, jump out and say: "Hold on," you know, "this is the police". They flashed some sort of identification as they are bound to do. The young man seeing - and it was the small hours of the morning - seeing these two rugged looking men in an unmarked car, took fright and he ran. He was carrying a small musical instrument, a metro-  
nome in his hand, and frightened by these two burly fellows, one fellow charging at him, he threw this thing at him and kept running. He was within half a block of his own home when he was subdued. All the time he was being subdued he was hollering: "Help - police, police."

The police were trying to indicate to him that they were the police, but in the agony of the moment and trying to get this young man to calm down and to be subject to their taking him in and interviewing him and finding out what he was doing and so on, there was considerable scuffle and injuries resulted, injuries not only to the young man but to one of the policemen. And they weren't all that pleasant, they weren't knives or anything like that but they were pretty forceful blows, because when someone is striking they take on considerable strength in their own defence.

In any event, there was such commotion that people in the neighbourhood came out and shouted, you know, "What's going on? Let's call the police," and they said: "We are the police." The young man's own father came out, but the young man and the other policeman were down some distance in the alley still being handcuffed or subdued and so on. The father said: "What's going on down there?" "Oh, you know, just having difficulty taking someone in," this sort of thing. He said: "Oh fine." He went back to bed. His son was taken to the police station and interrogated. He'd suffered some bruising, he was hurt, but the police obviously knew that his explanation was reasonable. He'd left his girl friend's house only a short walking distance away; he'd been watching the late movie and so on and he was going to his own home, a short distance from where he was subdued. After the explanation the police drove him home, but they should have - and admittedly, they would in another case - gone in and explained to the parents what had happened. They didn't in this case. The young man, much embarrassed - I won't go into some of the details - went to bed - washed up and went to bed.

The next day his father learned about it - and I don't know what politics his father has - didn't see me personally, came to my department and was really annoyed. He wanted an investigation, and when we have complaints we're bound to investigate them. People have a right to have their complaints investigated in a proper way, and the City of Winnipeg Police Commission would agree that they have the right to have them investigated in the proper way. So we did so in this case, and I'm satisfied as a result of the investigations that went on that the police didn't use unnecessary force. Under the circumstances, a young man frightened, they used what force was necessary to try and subjugate him to their will and take him in and interrogate him. The injuries resulted were not the result of any calculated over-use of police force, not at all. I don't know, as I say, what that young man or his father's political views are. I can tell you that he doesn't reside in -- he resides in the constituency of one of the honourable gentleman opposite, and let's hope that he voted for him, because if he had voted and was a member of the New Democratic Party, I would have heard about it. I would have heard about it - interference - an investigation.

Now -- (Interjection) -- all right now, when I finish, Mr. Chairman, I'll hear the question. I want to retain the floor at the moment. -- (Interjection) -- Well, when I finish the particular sequence. Thank you very much. I'm glad that you're keeping clock.

The fact of the matter, Mr. Chairman, is that notwithstanding the error that had

(MR. MACKLING cont'd.) . . . . . occurred -- now maybe you can say the young man should have stopped and said: "Well look, I can't win anyway," why shouldn't he have just found out that they were policemen and kept his cool. Well, people react and you can't blame them for being scared. I think most honourable members on that side of the House would be scared too. Well, most of them. So there was a mistake, a human mistake - not premeditated mistake, no premeditated wrongdoing on anyone's part, so that was all fine. But what happened? Our Crown Attorney - I take the responsibility - our Crown Attorney laid charges: Assault, assault a police officer, obstructing, etc. We stayed the charges. Abuse? Intervention: Well, apparently not because obviously he wasn't a member of the New Democratic Party.

I tell you, Mr. Chairman, that notwithstanding all of the overtones, the innuendoes, the attempts to smear, that my department won't react to this. Mr. Chairman, I do not fault the police. It was my department that laid the charges and upon review, what is not abnormal or irregular as some would like to suggest, the charges were stayed. As Attorney-General I take full responsibility for charges that are improperly laid and it is my responsibility and duty to ensure that rectification so far as possible, wherein law that rectification takes place, so far as possible wherein we erred.

I want to point out, Mr. Chairman, that police in Manitoba, and in particularly in the City of Winnipeg, have demonstrated an admirable understanding of youth and have resisted many temptations to yield to the taunts, to the disrespect for the law and I think particularly of the large number of young people who have, from time to time, congregated at such places as Memorial Park, where if the police had not - to use the colloquial expression of the young people themselves - "kept their cool," very serious consequences might have resulted.

Not only, Mr. Chairman, must we not turn a blind eye on abuse of the law, but neither is it responsible to overreact. Most frequently, in all jurisdictions where peaceful confrontation has been experienced, and I have no doubt more will continue, it is imperative that law officers not overreact. In most cases persons are detained and released without charges being laid. It is often most important to defuse explosive situations and temporary detention is the practice most often followed. As Attorney-General I'm obliged, from time to time, to make a very careful assessment of the complete ramifications of proceedings against persons where minor offences have occurred to determine whether or not, all things considered, proceedings or continuance of charges already laid, is warranted. If possible, I for one would reject major confrontations of young persons in court unless the charges were of such a serious nature that a more summary disposition would not suffice and meet the interests of the preservation of law and order in society.

In the Ternette case, this young man suffered some personal injury, which the Winnipeg Police Commission found to be accidental and I don't question their decision because they were enabled to hear all of the evidence and I'm confident, made a reasoned finding of fact. In addition to the personal injuries he suffered, he was confined overnight until bail was arranged.

Mr. Chairman, prior to arriving at a decision in the Ternette case, I reviewed very carefully the assessment of the facts as I knew them from reports given to me by my staff, reports which included advice to the effect that there appeared to be some real basis for believing that the police had in fact used unnecessary force in the handling of Mr. Ternette. And Mr. Chairman, which gave the impression of 5,000 people, young people primarily, congregated in the Winnipeg Arena where an open knowledge of an unlawful use of marijuana, cannabis and hashish was prevalent, but the ramparts of the stadium were being guarded by the City of Winnipeg Police against a group of teenyboppers led by one irresponsible young man, who were demanding that the price of the admission to this extravaganza was out of the way, and the contrast is pretty stark.

Mr. Chairman, I regret the fact that so much ill feeling has been engendered by the disposition of this case. I regret to say, Mr. Chairman, that I am of the view that if Mr. Ternette had been a young Progressive-Conservative, rather than as it turned out, a young NDP, there would not have been so much as a murmur of protest by those who have been so vehement in their criticism of me. Despite that, Mr. Chairman, I want to assure all members, honourable members of this House, that I will not enquire first as to the political viewpoint of a citizen before exercising my responsibility as Attorney-General.

It is unfortunate, Mr. Chairman, that my impromptu remarks made in answer to this long-distance telephone call, I've alluded to earlier, were admittedly inadequate to explain all

(MR. MACKLING cont'd.) . . . . . of the rationale for the stay of proceedings in that case, but little did I believe then, Mr. Chairman, that there would be any political overtones construed to what I still believe to be a responsible, prudent course of action.

Mr. Chairman, although Mr. Ternette has become somewhat of a cause célèbre - and I didn't make him that - I do not approve or condone of the irresponsible conduct which he displayed.

In conclusion, Mr. Chairman, I would suggest that paradoxically, our society and the honourable members of this House opposite would condemn even more those who are charged with the administration of justice in this province if, as a result of ineptitude, peaceful confrontation of youth and police were transferred and escalated by confrontation in the courts.

Mr. Chairman, I trust that now I have indicated in as full and as frank and as fair and as responsible a way as is necessary, my complete rejection of the suggestion that there is any basis for consideration of political motives or beliefs in the administration of justice in this province.

MR. CHAIRMAN: The Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, would you like me to begin now because I'll be some minutes. Would you like to call 5:30 . . . ?

MR. GREEN: Mr. Chairman, I'm sure the honourable member will be able to put his remarks in more smooth-running and chronological context if he started at 8:00 o'clock.

MR. CHAIRMAN: It's 5:30. I'm leaving the Chair until 8:00 o'clock this evening.