

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Tuesday, June 4, 1974.

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 35 students of the Margaret Barber School. These students are under the direction of Mr. Greg Clark. This school is located in the constituency of the Member for The Pas, the Minister of Northern Affairs.

On behalf of all the honourable members I welcome you here today.  
I appreciate that enthusiasm.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Education.

RETURN TO ORDER NO. 13

HON. BEN HANUSCHAK (Minister of Education) (Burrows): Mr. Speaker, I wish to table a Return to an Order of the House No. 13, on motion of the Honourable Member for Fort Rouge.

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

ORAL QUESTION PERIOD

MR. SIDNEY SPIVAK Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, my question is for the Minister of Industry and Commerce. Early this morning I asked questions in connection with the overhaul base and the information supplied that there was distribution indicating that the facilities, or assurances had been given by the Federal Government and Air Canada that the maintenance and overhaul work . . .

MR. SPEAKER: Question please.

MR. SPIVAK: Well, not only the 727s but all aircraft types in Canada would be done in Montreal. I'd like to be in a position, Mr. Speaker, to forward this to the Minister and ask whether the government has any comment to make now, or will be prepared to make a comment tomorrow upon examination, dealing with the information supplied by the union to its members - I think this would be the Minister of Industry and Commerce - indicating that there is an assurance by the Federal Government and by Air Canada that the overhaul facilities will be maintained completely in Dorval in Montreal.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, as I attempted to indicate this morning we have not been given a clear outline in detail of exactly what additional Air Canada presence there will be in the City of Winnipeg, the Province of Manitoba. I said we were attempting to get information. We will be working on it, I said. I forgot to mention that the Premier did wire, shortly after the Prime Minister's announcement, did send a wire asking some very specific questions pertaining to the degree of work which would be done in Winnipeg. However, I will read the honourable member's piece of information and comment on it, if that is warranted.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder if the Minister of Industry and Commerce would be prepared to meet with the union officials here in Manitoba to determine whether the information here is accurate or not?

MR. SPEAKER: The Honourable Minister.

MR. EVANS: Mr. Speaker, having met with the pertinent union officials many a time over the past five years, there's no reason why I wouldn't be prepared to meet with union officials locally, or elsewhere, if that is required.

Mr. Speaker, while I'm on my feet and while we're asking questions about air matters, I wonder if by leave I could make a Ministerial Statement. Unfortunately I didn't have the material with me to distribute at the time of that . . .

MR. SPEAKER: Is it agreed we revert to Ministerial Statements? Thank you. The Honourable Minister.

MINISTERIAL STATEMENT

MR. EVANS: Thank you, Mr. Speaker, For some time my department has been working to place Manitoba's interest in transport or air services to the United States before appropriate Canadian transport officials. The negotiations between Canada and the United States have concluded and the agreement was signed in Ottawa on May 8, 1974. I'm now in a position to report on what this will likely mean to Winnipeg and to Manitoba.

For a number of years we've attempted to obtain a direct non-stop flight between Winnipeg and Chicago. The agreement gives Northwest Airlines the rights to institute this service, and I'm pleased to inform you that this service starts immediately using Boeing 727 aircraft, that is a direct non-stop service between Winnipeg and Chicago. It is the intention of Northwest Airlines to maintain the total number of flights in and out of Winnipeg at four per day. Under the old schedule Northwest operated four flights daily to Minneapolis. Of these one was a non-stop; two had one stop and the fourth made two stops. The new schedule provides now two non-stop flights to and from Minneapolis every day in addition to the direct flight to and from Chicago. The one flight will continue to stop at Grand Forks.

Northwest is also proposing to institute a Chicago-Minneapolis to Edmonton and then on to Anchorage service this month. Before Winnipeg can be tied into this service an application must be approved by the United States Civil Aeronautics Board. When this authority is received the airline will be able to provide a connection at Anchorage with their Chicago-Anchorage-Tokyo service. So we would hope that in the near future Winnipeg citizens and Manitoba people, people from this area, would be able to obtain service up to Anchorage and vice versa.

I've been promised by Airline President Mr. Donald Nyrop during my recent visit to his office that Northwest will review its schedules immediately with the view to improving the service to Winnipeg still further. I'm hopeful by this fall Winnipeg may receive improved schedules on service to Los Angeles, Miami, and New York through Minneapolis or Chicago.

Under the lateral agreements arrived at, Mr. Speaker, a Canadian carrier may inaugurate a direct non-stop Winnipeg to Chicago service but not until April 30th, 1978.

In 1968 Frontier Airlines received authority from the CAB to extend its Denver-Bismarck service to Winnipeg. Their application was rejected previously by the Canadian Transport Commission on the grounds that this route should be part of the bi-lateral negotiations. The route was approved, and I have been advised by a senior official of Frontier Airlines that it hopes to inaugurate a one-stop Winnipeg to Denver service commencing July 2nd, 1974. The Frontier service initially will be a once-daily frequency using Boeing 737 aircraft.

The new bilateral agreement provided also for a new service by an American carrier between Winnipeg and either Duluth, Milwaukee, or both. Mr. Hal Carr, Chairman of the Board of North Central Airlines has advised me that he hopes to receive authority from the CAB in response to their five year old application to extend their Chicago-Milwaukee-Central Wisconsin-Duluth service on to Winnipeg. The necessary authority is anticipated within the next two weeks and if it is received the company plans to start once a day Convair 580 service by mid-August.

Canada was able to obtain a direct non-stop Winnipeg to New York route for a Canadian carrier. At the present moment no Canadian carrier has been designated. However, in accordance with the Prime Minister's statement in Winnipeg 10 days ago, Air Canada expect to received this authority. At the moment Air Canada is not able to give a specific timing for the introduction of the service as they must make application to the Canadian Transport Commission and to the Civil Aeronautics Board. However, it is hoped that this service will start on January 3, 1975 with DC-9 equipment being used on a daily basis. The main reason for the delay is apparently on the American side where CAB approval must be obtained.

We were disappointed that Winnipeg did not obtain additional authorities for Canadian carriers to operate out of Winnipeg. Hopefully our Winnipeg based carrier TransAir will be able to obtain some trans-border rights in the future. Nevertheless, Mr. Speaker, it is gratifying to note that those routes that were approved are being implemented as rapidly as possibly, and that for the Manitoba travelling public Winnipeg will have improved air services to the United States and that American tourists will more easily be able to fly into Manitoba. With the two new airlines involved and the new routes, the Winnipeg airport will indeed increase its international characteristics.

## MINISTERIAL STATEMENT

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I have a few comments to make with respect to the Ministerial Statement. There is one question that has to be asked, and I do this by way of the introduction of my statement in the hope that the Minister will be in a position to respond in the Question Period. In his printed presentation, and I assume that he read from that, he indicated there will be a direct non-stop flight between Winnipeg and Chicago. However when we look at the four flights that are going to take place from Winnipeg, two are non-stop to Minneapolis and one is referred to as a direct flight to and from Chicago. It's not referred to as a direct non-stop flight but rather direct flight, and the other is one with a stop at Grand Forks. But I think, Mr. Speaker, in order to have the record clear the Minister should indicate whether there is to be a non-stop flight to Chicago, or whether what he is referring to is a direct flight to Chicago with one stop in Minneapolis. And, Mr. Speaker, that would make a substantial difference. It's very difficult to comment on that without knowing what is correct. If it would be possible for him to indicate that now and I think it would be important, Mr. Speaker, for some comment that I'd like to make.

MR. EVANS: Yes, Mr. Speaker, in response to the question, it is a direct non-stop flight.

MR. SPEAKER: Order please. The Honourable House Leader have a point of order.

MR. GREEN: Yes, Mr. Speaker, I believe that this could set a precedent for a very bad procedure and therefore questions should await the arrival of the Question Period.

MR. SPEAKER: The point is well taken. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I'm quite sure that the Minister's intention was to convey the . . . information and there was the use of two expressions which could be interpreted and normally would be interpreted as being different rather than the same. All right, Mr. Speaker.

The ability now that we'll have to be able to travel to Chicago non-stop, and for those out of Chicago to travel to Winnipeg, is important, not just for the convenience of the people who may be travelling on vacation but very seriously, Mr. Speaker, for the economy of this province. The trade that's developed north and south is the most significant development in terms of our economy in the last period of time. And in today's age easy access into the major market areas by those who represent Manitoba Corporations, and those who want to come into Manitoba to do business, is important.

Mr. Speaker, for years this community was penalized because of the inability to have direct access to the major cities of the United States, and particularly Chicago. Mr. Speaker, it's a matter of record that until recently a person doing business in Chicago could go anywhere in the United States in the morning, do his business, and come back in the evening to his home residence with the exception of Winnipeg. It was impossible because of the scheduling and the number of flights, and the fact that there was no direct access. So this announcement is a welcome one, and in my respects, Mr. Speaker, it's very late in happening. It should have happened earlier, and it's not again a reflection particularly of the Government. It has to do with the negotiations that took place on behalf of this area, and the lack of concern for the economic development and the economic opportunities that existed here. And in the trade-offs that occurred, Winnipeg always got the short end of the stick.

So, Mr. Speaker, we welcome this as something that is important to the development and will provide for the kind of access that is needed to allow the opportunities that I referred to.

Mr. Speaker, there is greater opportunity with respect to the area of tourism, and this will again provide a greater opportunity, and I would hope that this will be taken advantage of by the Minister of Tourism in the kind of promotional activity that's undertaken in the United States to be able to present Manitoba's opportunities, and to be in a position to now indicate that there is easy access to our community.

With reference to the Frontier application, because I'm aware of it, and because it happened during a period of time of my Ministry, and because I was in Denver in connection with this, I can indicate that I think that this is a very important development for this province. It opens essentially the mountain areas to easy access to Winnipeg and to Manitoba. The trade that should now exist between the mountain areas to this part of the country, and to our province, is important in the long run and in the further extension of the north-south trading

## MINISTERIAL STATEMENT

(MR. SPIVAK Cont'd) . . . . activity that takes place. The mountain areas that are in the United States are significant areas, they are wealthy areas, they are areas that also will attract a fair amount of tourism, and there is no doubt that many people from here will find the, particularly in the wintertime, the skiing areas are important to them, and easy access will change probably vacation patterns. But the fact is that the mountain areas have a fair amount of expertise in the engineering and consulting fields with respect to the whole resource development field, and the one problem that they were experiencing was just the sheer difficulty of trying to do business in this area, and the fact of the inconvenience of having to transfer from one plane, and with the long hops and the difficulties that took place. So, Mr. Speaker, that particular agreement is important.

The next one deals with the question of Duluth, and I again further, and consistent with the pattern of the necessity of providing the kind of service from the major communities in the Dakota areas, and in the areas close to our border, to Manitoba, so that business can be done in such a way, and tourism can develop in such a way that there would be easy access. This is welcome news.

There are other areas and other communities that I would hope in time would be open, and in closing my remarks I mention them because I think it's important, they are still major communities in the midwestern area of the United States, which happens to be our natural market. And that would be the hope, Mr. Speaker, that we would have in the future, direct access from Winnipeg to Milwaukee, direct access to Omaha, direct access to Kansas and St. Louis, to be in a position to take advantage of the flow that can take place and the increased trade that can occur which will effect the well-being of this province.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. I.H. ASPER (Leader of the Liberal Party) (Wolseley): Well, Mr. Speaker, I thank the Minister for his statement and for the information that he's put before the House. I think too credit, as a matter of fact fundamental credit, for what has happened must go almost exclusively to the Federal and U.S. Federal authorities, as well as the Canadian Federal authority, who negotiated and approved these new air routes. You may recall, and I say this because I wouldn't want the impression to be gained that the Government of Manitoba has somehow uniquely pulled some massively successful negotiation that has resulted in new air routes being made available to the people of Winnipeg, but rather because we the Government, and the Opposition and myself included, have been never shy about criticizing our Federal Government for failing to put Manitoba's transportation needs on a priority basis in international negotiations. And I would point out that, and I attended the WEOC Conference with the First Minister, and I think the Honourable Member from River Heights, where this case was put to the Federal Government, that we insist, we in Central Prairie Manitoba Canada, insist on improved access both for our goods and our people to and from important centres of the United States. We received at that point the assurance from the Federal Government that the negotiations that it would undertake with the United States would certainly take into account Manitoba's long neglected needs, and that has happened. For that reason I pay tribute to the federal authorities for having bargained away other things that were being sought in Canada to make sure Manitoba got these kind of routes.

Now, I concur with the Minister that the pressure brought by his department certainly has been valuable, and has been effective in reminding the federal authority of that commitment, and that commitment is not yet fully met. But there's no doubt that what has been achieved will make a dramatic and overnight difference in Manitoba's place, Winnipeg's place, as a transportation centre for people and goods, from east and west and north, and north and south to the United States markets.

Now, Mr. Speaker, there is, while the Minister has opened the subject we now - as a matter of fact I think the Minister was somewhat modest in his statement because he could have gone further to say that the Frontier application now that it's approved will include Winnipeg, Denver, Las Vegas, with connections to Los Angeles; and so that for the first time, for the first time, Mr. Speaker, Manitobans will have a three-hour flight to Los Angeles or three and a half hour . . .

A MEMBER: Who wants Las Vegas when you can go to . . .

MR. ASPER: Well, Mr. Speaker, if the Minister of Finance finds himself a little short, perhaps he might take the goodies and the cookies and put them into Las Vegas because

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(MR. ASPER Cont'd) . . . . certainly he and the Minister of Mines are gambling seriously with our future anyway.

Mr. Speaker, the Frontier line offers considerable promise to take Manitoba goods and people to areas that the Minister did not mention, to the Los Angeles-San Francisco market. It's our hope that his government, and his department and the Department of Tourism, will now seize the opportunity before it to promote transport and travel, and tourism particularly, between the centres that are now easily served. It's no good having a line that will be later withdrawn for lack of use.

The North Central possibility to Duluth, Milwaukee, it can't be measured. It's only a potential. It depends on how much his department is able to promote with Manitoba industry the exchange of goods and people between those two areas. We know already that the Denver-Manitoba, Denver-Phoenix, Las Vegas-Los Angeles, line that Frontier promises to open up can be vital, and we would encourage again the Minister of Tourism to take advantage of it.

We would ask too that in his next round of discussions with Northwest and Air Canada and the federal authorities, that he look at the position of Winnipeg-Minneapolis Northwest monopoly, because never has there been a more classic case of monopoly breeding poor service. Now, we know that the Federal Government, and soon to be announced, will be the final dates for the new Winnipeg-Chicago direct line by Air Canada - I think reference was made to it in the statement. And so Northwest will have health competition, and I suspect, Mr. Speaker, that that's one of the reasons Northwest moved to try to get their foot in the door before the Canadian carrier Air Canada begins its next year's flights hopefully, or the year after's flights to Chicago. Now we'd ask the Minister to encourage Northwest to improve the service on the Winnipeg-Minneapolis run which is, because it's a monopoly, Mr. Speaker, has not been as good as lines where there is competition.

Now, Mr. Speaker, finally, all parties in this House have recognized the progress that's been made; major important opportunities and options have been opened up for us. Something like six million American consumers are now much closer to us in terms of producing goods for them, and producing jobs in Manitoba for ourselves, and producing tourist possibilities for Manitoba. We urge the Minister and his colleagues to take advantage of this opportunity and not let it slip away; not to turn it the other way so that the American producers turn the lines into methods of selling their goods into our market and taking our tourists into their market. It's a two-way street and it's he who acts most aggressively who will come out with the best result.

We'd encourage the Minister also to begin the next round which obviously is, as everyone knows, is direct transport to the west coast of the United States, to San Francisco, to Seattle and to Los Angeles. I'm sure there are no ends of ideas for the Minister; for what has been accomplished, he has our sincere compliments.

MR. SPEAKER: Questions. The Honourable Member for Fort Garry.

ORAL QUESTIONS Cont'd

MR. L.R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, my question is to the Honourable, the Minister of Labour. I'd like to ask him whether in view of the request made at the meeting of the Industrial Relations Committee last night by Mr. Art Coulter of the Manitoba Federation of Labour, does he intend, does the Minister intend to withdraw Bill 33?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): As far as the Minister is concerned, absolutely not.

MR. SHERMAN: Mr. Speaker, I'd like to direct another question to the Minister, and ask him whether he has had, subsequent to last night's meeting of the committee, any consultation with Mr. George Smith of Local 827 of the Operating Engineers?

MR. PAULLEY: No, Mr. Speaker.

MR. SPEAKER: Order please. I know it may be fun for some members to make a lot of loud noises because they are unintelligible. But I do think it's annoying and it's not a procedural custom of the House. If they have difficulty I can readily offer some solutions privately. But I wish they would cease and desist. The Honourable Member for Fort Garry.

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MR. SHERMAN: Thank you, Mr. Speaker. I was directing my questions, not to the Honourable Member for Lakeside, but to the Minister of Labour. I'd like to ask the Minister of Labour, Mr. Speaker, whether he considers that there is a possibility of a strike by the operating engineers . . .

MR. SPEAKER: Order please.

MR. SHERMAN: . . . as indicated by Mr. Smith?

MR. SPEAKER: Right. The Honourable Member for Fort Garry.

MR. SHERMAN: I'll rephrase the question, Mr. Speaker. Is the Minister aware that Mr. Smith is threatening a strike in the circumstances?

MR. SPEAKER: Orders of the Day. The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, I have a question for the Minister of Mines and Natural Resources. Further to my question this morning with regard to the lack of pumps for assistance to the current flood problem at The Pas, has the Minister confirmed the people's anxiety? If so, what does he propose to do to relieve the problem?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I'm advised that one 16-inch, I believe it is, pump was obtained, an additional pump, and that the department is still attempting to obtain additional pumps. I will have to tell my honourable friend that I confess that I am not able to relieve the anxiety of everybody who is having water problems in the Province of Manitoba.

MR. BILTON: My concern is with the people of The Pas, not the people of Manitoba at the moment, Mr. Speaker.

Mr. Speaker, I have a question for the Minister of Northern Affairs. I wonder if the Minister has studies in co-operation with his constituents the blowing of the Big Bend Dam to assist the current situation of flooding at The Pas?

MR. SPEAKER: Order. The Honourable Minister of Northern Affairs.

HON. RON McBRYDE (Minister of Northern Affairs) (The Pas): Mr. Chairman, I have made the Minister of Mines and Resources aware of the situation at The Pas. The information that the Member for Swan River presented this morning was incorrect.

MR. BILTON: Supplementary to the Minister of Northern Affairs. Has the Minister visited the troubled area in his constituency? If so, when and what has he recommended to his people?

MR. SPEAKER: Orders of the Day. The Honourable Minister of Northern Affairs.

MR. McBRYDE: I was in The Pas on Saturday and met with the farmers who are concerned with this problem. I have made a full report to the Minister of Mines and Resources. I would like to point out to the Member for Swan River that the people from The Pas are probably better represented than the people from Swan River.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable Minister of Tourism and Recreation, Mr. Speaker. I wonder if I could ask the Honourable Minister if he'd consider making more lots available in the Snow Lake area for trailers? A congestion has been reported to me in that area.

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

HON. RENE E. TOUPIN (Minister of Tourism and Recreation and Cultural Affairs) (Springfield): Mr. Speaker, I did make a short mention of that possibility in the future during the few remarks that I had on the Concurrence Motion of the Department of Tourism, Recreation and Cultural Affairs. I'll attempt to get more information for the honourable member.

While I'm on my feet, Mr. Speaker, I'd like to maybe expand on the answer that I gave to the Honourable Member for Riel this morning in regard to annual billing for cottage leases and permits. I'd like to inform the honourable member that the billings are being sent and should be completed by the 15th of June. And by the way --(Interjection)-- I'm sorry, Mr. Speaker - the amount is the same as last year. No change.

MR. McKENZIE: Mr. Speaker, I have another question for the Honourable, the Minister. I wonder if the Honourable Minister could advise the House when the renewal releases that are normally due May 1st will be turned over to the cottage owners at Clearwater Lake.

MR. TOUPIN: Well, Mr. Speaker, I don't believe that I understand the question clearly. If the honourable member is asking me if they will receive their billing shortly, yes. I'm

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(MR. TOUPIN Cont'd) . . . . informed here and now that they should get their billings by the latest the 15th of June.

MR. MCKENZIE: I wonder if the Honourable Minister would advise the House if there is an increase in the leases that are being held back at this time.

MR. TOUPIN: No, Mr. Speaker, no increase, and the reason why we've waited longer to send these billings was for a policy review, which has now been completed.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, to the Honourable, the House Leader. In view of the difficulty which arose last night in the Public Accounts Standing Committee meeting due to lack of recording equipment, could the Minister assure that for the Economic Development Committee meeting scheduled for Room 234 tomorrow night that there will be recording equipment available?

MR. SPEAKER: The Honourable, the House Leader.

MR. GREEN: Mr. Speaker, we only have one room that is wired for sound, and the other would be a difficulty. If honourable members are not prepared to have two meetings meet simultaneous with one being recorded and the other not being recorded, I will only schedule one meeting tomorrow night. But we have Private Member's bills and the Committee on Economic Development. If we wish to have Economic Development recorded, then I will move that into Room 254. I would like to advise the Honourable Member for Brandon that this government is the first government that permitted recording of the meetings, that under the previous government they wouldn't even permit us to bring our own tape recorders in to record the meeting.

But I will not hold two meetings simultaneously unless it meets with the consent of honourable members. In other words, every meeting will be recorded but we will not be able to meet with two meetings simultaneously as has been our custom up until this. If there is a preference that Economic Development be recorded, then we'll switch the rooms around.

MR. MCGILL: Well, Mr. Speaker, a supplementary question. In view of the fact that it was agreed by the Economic Development Committee members at the beginning of this session that the meetings would be recorded and transcribed, and in view of the fact that all meetings up to this point have been so handled, would it not be proper then to transfer that meeting to Room 254?

MR. GREEN: Yes, Mr. Speaker. Although it's a different subject I don't know whether the agreement -- I think that whenever we are in a meeting where there is the equipment that people are going to ask that it be recorded. I don't remember when that was not the case. But if the Economic Development Committee meets in Room 254, then the other committee will meet in Room 200 . . .

MR. SPEAKER: . . . 234.

MR. GREEN: The Clerk is looking at me with a very sour face. All right. Then that's okay. The committee on Economic Development -- the Committee on Economic Development will meet in Room 254; Private Members' Committee tomorrow night, Wednesday night, at 8:00 o'clock; Private Members in Room 200, so it won't be necessary to have recordings of Private Members' committee.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, I think I should rise here on a point of order. The House Leader stated that it will not be necessary to have recording equipment for Private Members' bills. That is, Sir, only on the condition that the Private Members' Committee do not authorize -- Now I don't think that's likely -- but I do want that clearly understood that it is up to the discretion of each of the committees to determine whether or not they want their proceedings recorded and transcribed.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: I said that, Mr. Speaker, and unlike predicting Autopac actuary results, I can predict fairly accurately that the majority of the members of the Private Members' Committee will likely be willing to proceed unrecorded.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I'd like to rephrase a question to the Minister of Labour with which I was having some difficulty, and ask him whether he intends to meet with spokesmen for the operating engineers to review the confrontation announced by Mr. George Smith?

## ORAL QUESTIONS

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: As far as I am concerned, Mr. Speaker, there was a meeting of a committee, the Industrial Relations Committee, yesterday evening, at which ample opportunity was given to all parties who were desirous of making representation. We noted their representations. I do not think that it is necessary for any special provisions otherwise to be made. However, if there is a desire on the part of the operating engineers, the professional engineers, or indeed, the Member for Fort Garry, to meet with the Minister of Labour, the Minister of Labour is available at any time to hear representations.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I have a couple more questions to the Honourable Minister of Tourism and Recreation. Could the Minister advise the House if there's going to be additional, or has some 80 to 100 additional lots been surveyed in the Rocky Lake area to relieve some of the pressures that have been on Clearwater Lake?

MR. SPEAKER: The Honourable Minister for Tourism.

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

MR. McKENZIE: One more question, Mr. Speaker. When the Department are assigning these leases, do they draw them out of a hat, or how are they assigned, like if you're opening leases say for Rocky Lake and there's, say, a hundred applications, are they assigned or drawn out of a hat, or how does the department assign those leases?

MR. TOUPIN: Mr. Speaker, there's been different methods of determining who would get the leases available, and not to misinform the honourable member I'll bring part of that answer back equally.

MR. SPEAKER: Orders of the Day. The Honourable House Leader. Oh, sorry. The Honourable Member for Radisson.

COMMITTEE SUBSTITUTIONS

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, by leave, I'd like to make a substitution on the Private Bills Committee. Substitute Osland for Dillen.

MR. SPEAKER: Agreed. (Agreed) The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Mr. Speaker, by leave, I would also like to have a change in Law Amendments this evening, substituting the Member for Manitou for the Member for Brandon West.

MR. SPEAKER: Manitou?

MR. FERGUSON: I beg your pardon?

A MEMBER: I think it should be Pembina.

MR. FERGUSON: Oh, Pembina, I'm sorry.

MR. SPEAKER: Okay, Member for Pembina. . .

MR. FERGUSON: Henderson from Pembina substituting for McGill of Brandon West.

MR. SPEAKER: Thank you. Agreed. The Honourable Member for Rupertsland.

ORAL QUESTIONS cont'd

MR. HARVEY BOSTROM (Rupertsland): Thank you, Mr. Speaker. My question is for the Minister of Northern Affairs. Could the Minister tell us when the northern Manitoba DREE Agreement will be signed?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Speaker, the last I've heard is that the Honourable Don Jamieson, the Federal Minister, will be here tomorrow morning at 9:30 for the signing of a number of agreements, or two agreements, with the Province of Manitoba.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you please call Bill No. 83.

MR. SPEAKER: Thank you. Proposed motion of the Honourable Minister of . . . The honourable member have a point of order?

MR. SHAFRANSKY: No. I have another substitution by leave.

COMMITTEE SUBSTITUTION

MR. SPEAKER: The Honourable Member for Radisson.

MR. SHAFRANSKY: By leave, on the Economic Development Committee, delete the name of McBryde and substitute Evans.

MR. SPEAKER: Is that agreed. (Agreed) Very well. Bill No. 83.



BILL NO. 83

MR. SPEAKER: Proposed motion of the Honourable Minister in charge of Autopac. The Honourable Member for Lakeside. I may inform the honourable member he has used ten minutes of his 40 minutes.

MR. HARRY J. ENNS (Lakeside): Thank you, Mr. Speaker, it's highly unlikely that I will use all the time that I'm entitled to because the message is really brief that has to be made. If I recall, Mr. Speaker, prior to the luncheon hour adjournment I was suggesting to you, Sir, that while attempting to deal with the principle of the bill that there were, or that I would find it necessary to make reference to some specific clauses, and you, Sir, were at the point of admonishing me that that was against the rules of our House, and that I should take the luncheon hour to somehow sort a way of skating around the particular problem that I -- that I, Sir, might remind you that I drew it to your attention that I might in fact be in some difficulty with the rules. I think I've found a way around those particular problems in the ensuing hour and a half, and I'm sure, Sir, that you and I will get along well.

Mr. Speaker, let me also say that if you detect a somewhat lightened and more spirited and more forward and forthright attitude in myself, it is this that I've had a great burden removed from my shoulders; and I say this not facetiously. You see, Sir, I was among one of those members, or one of two members, in this Chamber who had a sincere conflict of interest, namely, my automobile was stolen, or had been stolen up until a few hours ago. It has now been found and, Sir, if you have found me wanting in attacking this government, and this particular bill, and this government automobile insurance corporation, with the kind of vigor that I've been accustomed to, it's because I'm no different than anybody else. I, you know, had a serious consideration of personal interest involved. It was a serious claim, and I would certainly not do anything to jeopardize my opportunities of having my claim properly settled. And I at least should be credited with . . .

MR. SPEAKER: Order please.

MR. ENNS: . . . sufficient degree of native intelligence, that it would do my claim no good to lean on the Minister and this government in the fashion that I've been known to lean on from time to time . . .

MR. SPEAKER: Order please.

MR. ENNS: . . . and then expect the kind of . . .

MR. SPEAKER: Order please. The Honourable Minister.

HON. BILLIE URUSKI (Minister responsible for Manitoba Public Insurance Corporation) (St. George): The honourable member should well know that claims are not settled on the floor of this House.

MR. SPEAKER: Order please. Before we proceed I wonder if I may get the co-operation of all the honourable members who are having their little meetings so that we could hear what's going on in the Chamber. The Honourable Member for Lakeside.

MR. ENNS: Well, Mr. Speaker, I raise the point not that facetiously, and the Honourable Minister should listen, because there are members in this House whom that kind of a conflict of interest to this day has cost hundreds of dollars, and I'm looking at one member right there, who inadvertently in good faith cashed cheques, welfare cheques, totalling over five or six hundred dollars; the government computer found out that that was cashed in the name of one McKenzie, who is a member of this Legislature, and he was disqualified from payment. He was disqualified from payment. And I suggest to you, Sir, not that facetiously that, you know, this is the whole problem area that we get into when we deal with this movement, and constant movement of government walking into the affairs of our lives, into the business affair's lives, into the normal transactions of our lives, and we'd better face up to that. We'd better face up to that.

But I want to tell you quite frankly, Sir, that if I have a seven or eight thousand dollar car stolen, and I expect to be at the mercy of this government in negotiating a fair claim, they sure as hell don't expect me to be making too much of a noise in this House about it. --(Interjection)-- Oh, yes, Sir. Oh yes, Sir. Well, Sir, he says, they say, oh, yes, Sir. I want to tell you right now, Sir, there are 40 or 50 technicians, A.I. technicians that had to come to the Minister of Agriculture and learn how to spell the word Robson, frontwards and backwards before they get that licence. Before they get that licence, and that licence happens to be their livelihood. That licence happens to be their livelihood.

I want to tell you one thing more, and the Premier in this last election said, that if we

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(MR. ENNS cont'd). . . have the habit of electing malicious MLAs in this country, then not only do we get disqualified but the eight, ten, or 15 thousand constituents that we represent get disqualified.

So let's, you know, let's put those few things on the records, Sir, before I proceed with dealing on the bill.

Well, I find myself, you know, I find myself having to go to a member of the opposition, my opposition, my natural enemy to do what? To concern myself with the fact that I will get my car properly repaired. And you want --(Interjection)-- Yes, Yes, -- and I'm going to concern myself as a farmer to make sure that I get my Crown land properly worried about. I'm going to concern myself that I get my loan from a credit union or treasury bank properly considered. I'm going to concern myself that I'm going to get my fire insurance properly looked after. --(Interjection)-- Well, the Honourable Minister says I have a choice. I'm not so sure that I'm going to have a choice. Well, the Honourable Minister says, oh, We've had remarks made tossed at us facetiously from the floor about how, and Mr. Speaker, I believe the Minister of Mines and Natural Resources when he says that he wants to see his agencies operate profitably, well, and then do the best they can, whether he's talking about treasury branches or not. I believe him. I know that he can do that. I know that he can legislate it.

And with respect to fire insurance I know that this government can legislate right now; as a recipient and as a holder of a credit corporation loan that demands that fire insurance be placed on my farm buildings, I know that they can tell me where to get that insurance.

A MEMBER: That's because the insurance companies . . .

MR. ENNS: Right. But I had ten to choose from. I had ten to choose from, and if I thought I had a difficulty, if I thought I had difficulty with it, I was not being asked to face my political opponents and plead my case, plead my case. --(Interjection)-- Well, that's just a little insight, just a little lifting of the lid in the kind of society that we are moving into, the kind of society that we are moving into. Well, Mr. Speaker, Mr. Speaker, let me ask the question, you know. I see much more in Bill 83 than the honourable members are representing, much more. I've suggested that the obvious intention of the bill is to move into the repair and into the body work aspect in the bill. I also suggest that portion of the bill that gives this new corporation, in fact, commands it to do the necessary research to gather the necessary specific data to enable it to enter into any insurance plan, is but a prelude to life, and I ask the honourable members opposite, any honourable members opposite, the Minister, in closing debate on this bill, to give us a forthright statement. Is it the intention of the government, of this government, to enter into life insurance coverage? I think, well, quite frankly, quite frankly I fail to find the rationale when they deem it important as a social program to go into the plate glass insurance field, to go into the livestock insurance field, to go into marine insurance - I don't know if we've got that big of a navy in this part of the province, although I suppose it's going. So what is the rationale for not going into that, probably that major field of insurance, which is life.

A MEMBER: They're going into life.

MR. ENNS: Now, I think there is no secret that they are going into life. But, Mr. Speaker, if there is a degree of kind of bitterness that creeps up in these ideological debates between us, it's because of the lack of integrity on the part of the government from telling us what they intend to do. Now I know what they intend to do. But Sir, every time I tell them that, then I of course get accused of seeing a Communist behind every tree, and telling the story as it is. But, Mr. Speaker, can the Minister stand up and tell me, can he rationally with any degree of logic tell me why fire insurance, why livestock, why theft, why fire? What put those in the list of areas of immediate public concern for getting into the insurance field, and leaving out life, leaving out life? I think, Mr. Speaker, that the Government owes the industry, and owes the people, a clear indication of what their intention is with respect to this bill.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Yes, I have a question which I believe the honourable member will accept. Would the honourable member agree that the Canadian Pension Plan was a major entry by the Government of Canada into the field of life insurance?

MR. SPEAKER: Order please. Again I indicate - you know, I believe members should

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(MR. SPEAKER cont'd). . . be entitled to ask questions and they will open up new areas of debate invariably. But I plea with them if we're going to get done before the summer is totally gone, we've got to curtail some of these areas. The Honourable Member may answer if he wishes.

MR. ENNS: Mr. Speaker, I, without passing judgment as to the desirability of that action by the Federal Government, let me simply say this, that that was a move taken in the full glare of public debate. I can recall the full page newspaper ads having to do with that pension scheme, which caused some other political parties some concern at the time; it was a matter of policy that the government of the day announced well in advance, went into, and proceeded. Well, Mr. Speaker, I fail to see in the announcements made so far where you are planning to go into life insurance. --(Interjection)-- Well no, you're not saying that but you're providing it, you're making a provision in the Act, you're making a provision in the Act. Mr. Speaker, I ask you, Sir, to be the arbitrator, the fair magistrate in this Court, let you make the judgment: When it says, when it directs this corporation to conduct surveys and research programs, and obtains statistics for its purposes, and for the purposes of establishing and administrating any insurance plan. --(Interjection)-- Section 6 (2) (a). Now, Mr. Speaker, I believe I am a reasonably logical and rational man. I believe that when this government is that concerned about my livestock, that they will also be concerned about me as a person, as my life.

A MEMBER: Don't bet on it.

MR. ENNS: Well he says, don't bet on it. But if they're that concerned about the plate glass in my window, in my house, and they think that there is a need for a public agency to provide the insurance for my plate glass window, for my livestock, for my canoe, for my weather, for my theft, that maybe they'll also, just following that line of logical argument that they would also concern themselves with by far the major field in the insurance field, which is life. And I say they're not treating us with the degree of openness that they themselves upon coming into office said they would, that they themselves coming into office said they would. Mr. Speaker, that really is the difficulty yet that we have with this government, when you put this together and the companion of other bills that we have faced in this last little while; when you recognize that 99 percent of the substantive bills this long, record-long session has to deal with, have been presented in this Chamber in the last five days, 99 percent of them, you know, we're forced to deal with in the last four or five days. Then, Sir, there is reason for concern; there's reason for asking for the direction that you are going into.

Mr. Speaker, I raise one particular point in this same bill too, and I ask you, Sir, I ask you, Sir, when you consider how far we have come when we have to put such lines into legislation which gives this corporation that we're setting up the power, the right, to acquire by purchase, or other means, the business and property, or any portion thereof, of any other insurer. Now we talk about fair competition; we talk about entering into this field in a fair, competitive manner. The language is frightening, Mr. Speaker. Now we accept, Mr. Speaker, in our governments, whether it's this government or other governments, the necessity for governments from time to time in the interests of the public to move through expropriation procedures where we're dealing with such matters as land acquisition for basic and fundamental and necessary public projects, roads, overpasses, other public things. But, Sir, this is a business venture this government is entering into. They're going into an insurance field in competition with an existing insurance industry, and they give themselves the right in this bill to acquire by purchase, or by other means, and, Mr. Speaker, I want to know what those other means are.

Well, you know, the only problem is you can ask this government many questions, but the big question to be asked is, why is this kind of terminology being used in their bills? Why is this kind of terminology being used in their bills? To acquire by purchase, or other means, the business and property, or any portion thereof, of any other insurer, agent, or adjustor. Mr. Speaker, it's a carte blanche check to walk in if they decide that the Wawanese headquarters buildings in Wawanese happen to be a pretty good site to set up their treasury branch, put their Autopac services in there, put their general services offices in there, sell, you know, make their other offices premises out there, and they want it, this bill gives them the right to do that.

Mr. Speaker, I don't know whether it's just carelessness in drafting, as so much of

(MR. ENNS cont'd). . . their legislation unfortunately suffers under it. But it also, Mr. Speaker, portrays the kind of mentality that went behind the drafting. It portrays the kind of top of the ladder attitude that even when this government through the offices of its First Minister went around this province saying that they were going to move into this new field of insurance in a fair and a competitive way; that they were not really contemplating it in a way that most people read them to believe; that they would require these kind of clauses put into this kind of legislation.

Mr. Speaker, there's going to be I'm afraid in the next little while a great deal more said about what the honourable individual members have already indicated, a concern, I think a very real concern, about the direction that this government has seemed to have accelerated themselves into the last little while. There are those who contemplate on this side of the House, I don't mind speaking to you, Sir, frankly and honestly. I know that I sure have your good ear, and I as an obedient servant in this Chamber can talk to you in this way. There are those who openly speculate on the fact that the Government has lost confidence in its ability to perpetuate itself in office beyond this term, and that they are determined to at least make their mark on the society of Manitoba, and to bring us down the road as far as they possibly can during the course of the period of time that they are in the responsible position of office, on the premise that it's always difficult to backtrack.

Now I think that's not an unreasonable supposition that we're facing. I think that's the kind of situation that we might well be facing. But, Mr. Speaker, all the more alarmed and concerned we should be because then we do not have the kind of rational actions on the part of a government that knows what it's doing, that schedules its timetable according to its choosing and its liking. No, we have the reaction of kind of desperate and cornered people that want to do as much as possible without concern about the effects, without concern about building that kind of necessary public acceptance for programs, which is the normal way even petty governments with massive majorities normally like to deal. No, Mr. Speaker, we're dealing with people that want to jam down legislation.

Mr. Speaker, it was for me an experience that was quite frankly unique to have listened to the kind of representation that was made at the Public Relations or Industrial Relations Committee of the meeting last night, when senior labour people in this province were telling this government and their Ministers what we have been telling them for the last three or four years, that they were ramming down legislation down their throats without consultation, without an opportunity of any input, and I am not twisting any words, Mr. Speaker. Those words came from highly respectable people that appeared before us at that Committee. And aren't those the same words that have come out of the mouths of the Opposition in the last little while. Isn't the major complaint that we have against the actions of this government very often been in the manner and the way in which they have proceeded with the legislation, even as much as with the content of the legislation.

Mr. Speaker, we, as my honourable friend the Member from Pembina indicated this morning, and I think quite correctly, and in his astute way he probably said what I am saying in many more words better in those few short words. We recognize that they have the numbers on the other side. Now we recognize that they can pass the legislation that they choose to pass. But, Sir, there's a responsibility on them; there's a responsibility on them not just to be right, but to appear to be right; there's a responsibility on them to have some respect for the process of our system; and there's a responsibility on them, and that's surely even more important than just abusing us in this Chamber, there's a responsibility on this government to talk to, to communicate with, to consult the outside world that they're about to make basic and massive alterations with.

I suggest to you that this government should tell those people engaged in the life insurance field in this province whether or not it is their intention to enter into the field of life insurance.

I think Sir, if nothing else we have the bill that tells us that they're going to be in fire insurance, and livestock insurance, marine insurance, plate glass insurance, property insurance, public liability insurance, theft insurance, weather insurance, boiler and machinery insurance, accident and aircraft insurance, they're telling us that, and that at least those people involved in these fields know that the Government is going to be competing unfairly with them wherever they can use their government influence, wherever they can use their

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(MR. ENNS cont'd). . . government pressure, they will be competing in these fields of insurance. Now, Mr. Speaker, there's only one other major insurance field that is left, that is life. And, you know, is it really fair, is it really fair in an open society, in a democratic society, to have the life insurance people dangling like, will it be this year, or next year, or the year thereafter?

Do we wait till the next election and assure the people that prior to the election that it won't happen, or do we make a promise that it will happen? Why are the clauses in this bill - now why do I read enabling clauses in this bill that enables the Government to go into life insurance? Mr. Speaker, we can't rely on what this government intends to do. If we in our portrayals from time to time indicate what we think they are going to do well, then we're simply reactionaries looking for the worst in the radical left.

A MEMBER: Imputing motives.

MR. ENNS: We're imputing motives, and we're considered to be irresponsible in making these suggestions.

A MEMBER: Four years with that background.

MR. ENNS: When we tend to believe what their First Minister is saying across this province about the degree and the kind of competitiveness, the kind of bill that we would be facing in this House, and then see the actual bill, and we all of a sudden now realize that this is not the kind of thing that this province and this government and this Premier indicated to the people prior to the last election, that it's in fact quite a massive change from that, then we have to ask ourselves, what else is in the offing? And when you recognize, Mr. Speaker, that they want to move into, that they are now moving massively into the insurance field, I say totally, I predict, Mr. Speaker, without a question of mind that this government knows, they have done their research, they realize, they recognize that there was to a certain degree a drying up of funds, mortgage funds, capital funds in the 20 years of socialist rule in Saskatchewan. They do not want to see that happen here. They want to put themselves in a position to not only get hold of the \$400 million in deposit in the credit unions, they want to get hold of the much more substantial amounts of money in terms of general moneys that are available through the total insurance field. If it was a point of issue, if it was a point to go after to get over that investment earnings of about 34 or 35 million premium dollars on the auto insurance field, think how much more lucrative, and think how much more reason, and how much more logical it would be for this government to ask Great West Life to move out. . .

A MEMBER: They're going to buy their building anyway.

MR. ENNS: . . . in the next little while. Mr. Speaker, if it's a question of controlling cash flow, which is a major goal of this government, then surely it's just a question of how long they con us, or how long they blind us, and when they think it's politically correct and proper to move into that particular field.

Mr. Speaker, you indicate five minutes. I am simply suggesting to you, Sir, what massive steps we're making towards that all-socialist state that they want to gallop us into. The banking system controlled by this government, insurance system controlled by this government, mining industry soon to be controlled by this government. The entire north is under the control of this government.

A MEMBER: They don't even use the right figures.

MR. ENNS: Politisization of the Civil Service by this government. A specific program of land agricultural land acquisition by this government. Oh no, Mr. Speaker, it is, you know, if I were a socialist, if I were a socialist, Mr. Speaker, I would begin to feel that I am accomplishing some of those things that I believed in. I think I would feel that way.

But, Mr. Speaker, I simply object, and I want to tell you, Mr. Speaker, with all deference that the debates are going to get sharper, they're going to get more bitter, they're going to get more ideologically defined, because, Sir, they are not dealing honestly with us in the sense of where they want to take the Province of Manitoba. They are going on the premises that a little bite here, that trampling on that industry - you know, if you trample on the insurance industries' toes right now, well that's not going to affect the mines, but the next time you tramp on the mines, that's not going to affect the small manufacturers. And unfortunately in the freer enterprise world we do not have that collective mechanism that binds us all together, and we are individuals, and we are subject and prey to this kind of action by a deliberate government that intends to pick us off one by one. But, Mr. Speaker,

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(MR. ENNS cont'd). . . my job will be from time to time to remind the public through you, Sir, and through this Chamber, that that is precisely what is going on.

I object, I object to the kind of sham, I object to the kind of sheep's clothing that the wolves opposite parade under. They are not calling a spade, Sir. They do not, and they cannot stand up in this Chamber and rationalize the kind of pious statements that their First Minister talks when he's asked, well Mr. First Minister what do you consider a fair situation with respect to the private and public sector? And he, of course, says the political thing, he says, well 50 percent, 50 percent public and 50 percent private. That doesn't offend anybody; it's straight down the middle, and all that it is is a political statement. What he doesn't say is, that if the 50 percent private disappears, he won't really mind either. The Minister of Mines and Natural Resources indicated that in his portrayal in his mines speech that, you know, when it comes to certain specific areas his philosophical bent is that he wants 100 percent. He was speaking about a subject matter that I'll have another occasion to speak about in respect to economic grants.

But, Mr. Speaker, I don't know whether we'll be successful in wakening up the people of Manitoba to the situation we're facing. I suspect that we are going to be a long way down the path of socialism that people in Manitoba never dreamt of that they would be. The credit union movement, as such, will be next to crippled and be out of existence by the time this Government leaves office. And they will go around the countryside hiring the credit union managers into the treasury branches, and the same credit union managers will be there to flock the people into these treasury branches saying, "Well really, there is no difference; we're just dealing with -- we are the people's bank. And I'm getting \$10,000 more than I had when you employed me but I now work for the Government so I'll do my job a little better". And he'll live up to the Minister of Mines and Natural Resources' promise that he will make sure those treasury branches work and will be successful.

But, Mr. Speaker, it is an ever-increasing totalitarian government control that we face, and Bill 83 only moves us two or three steps closer to that goal, not just the one step. And, Sir, that's the one point that I wanted to make on Bill 83. This bill contains, in my judgment, all the necessary requirements to move this Government fully into the field of life insurance and certainly fully into the field of auto repair, auto body shops and parts depots. And that hasn't been told to us either. Now it'll come to us by regulation five months, six months later, but it's contained in this bill. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Minister.

MR. URUSKI: Would the honourable member permit a question? Is the honourable member aware that authority now exists for the Corporation to deal with salvage that it takes in right now, and it has been getting rid of salvage that it has taken into possession as the result of write-offs since its inception?

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Yes, I'm aware. I'm aware of that, Mr. Minister or Mr. Speaker, but I also am aware that you lack the formal setting up, the structures. As you have your Claim Centres now, you will require the bringing together of the repair shops, the repair depots. You're setting up several research repair depots under a certain portion of the bill where, you know, simply disposing of them on an ad hoc basis doesn't really get you into the business. That doesn't put anybody out of business. You have to attack, you will attack with much more vigor the business of putting the automotive repair parts people and the body shop people out of business. That's to simply let them still be part of the action; in fact maybe to even in some cases make above normal profits isn't really satisfactory either and I agree with you it isn't satisfactory. Your hands are tied. You have to go into the business. There's no ending to the wheel. The big wheel turns, like Saskatchewan, and I think you'll be in it.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, I beg to move, seconded by the Honourable Member from Assiniboia, that debate on the bill be now adjourned.

MOTION presented and Carried.

BILL NO. 90

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Will you call Bill No. 90, Mr. Speaker.

MR. SPEAKER: Proposed motion of the Honourable Attorney-General. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I adjourned the debate for my colleague the Member for Fort Rouge.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Thank you, Mr. Speaker. Before I proceed with comments on this bill, I feel it would be in my place as the speaker following the Member from Lakeside to offer the congratulations of this House on the return of his automobile, his \$8,000 automobile. I'd only hope that in view of the fact that the automobile, as I gather, was found on the parking lot of the University of Winnipeg, that when the member comes to debate the Estimates of the Department of Colleges and Universities next year he won't take this necessarily as a demonstration of a job training accomplishment of our institutions of higher learning, as I think that it was probably by pure coincidence, and if so it's probably from that other place that they took it and it's just simply a blind.

Mr. Speaker, I am very pleased that Bill 90 came along as it has at this point, because it's been a very gloomy couple of days as we've been faced with the spectre, the ominous spectre that the last Minister has just posed, of trading corporations and insurance acts and treasury branches and all of the other kinds of incursions that this Government has all of a sudden thrust upon us in terms of accumulating a higher degree of involvement and certainly a much greater degree of power in our life of this community, to at least spend a few moments to balance that out with a discussion of a motion, or a proposal, which attempts to somewhat balance out the scales by dealing with the issue of human rights and individual rights. And I realize that compared to the weight of the scales that we have received in the past few days this one bill is minuscule and without much substance by comparison, it still is very important that this House take the opportunity to look seriously at the issue of the Human Rights Commission and how in fact it may provide some degree of protection and some degree of enforcement and application of human rights proposals and legislation in this province.

Now I think, Mr. Speaker, that is the major question to be raised in relation to this bill by the Attorney-General, and that is just how effective a device is he giving us for the enhancement and pursuance of human rights within the province, because I think it is fair to say that all members of this House - at least I haven't heard any exception - have given nominal agreement to the requirements to protect human rights and I haven't heard any particular objection to the rights that have been outlined in the fields of employment and education and accommodation. But the real issue, of course, is to what degree can those rights be enforced, because I think it is very easy in this day and age to give lip service to high-sounding principles and then to throw away, deny those principles by creating really sort of paper machinery or devices that are not really sort of effective at all but are simply subterfuges or simply placebos that aren't designed really to give real substance and real action to the implementation of those rights, and I think that that is the question that I would like to pose this afternoon, Mr. Speaker, and that is the degree to which the Human Rights Commission and the Board of Inquiry arrangement that had been proposed are really a mechanism that we can rely upon to give us a well-balanced and effective series of machinery for the protection of rights of people of this province.

I would start off by saying that I agree certainly with the amendment that was made on this bill to split the jurisdiction or the responsibility of the Human Rights Commission as proposed by the Manitoba Court of Appeal about a year ago. I think it was in the case of the two workers from Toastmaster Bread, I believe was the place, where they said in fact the Human Rights Commission cannot be both an investigating body and an adjudicating body. And undoubtedly the legislation we have before us corrects that particular anomaly and legal handicap to the proper functioning of human rights procedures.

But I'm afraid, Mr. Speaker, that once saying that, I would have serious doubts about the efficacy of this machinery that is before us as a means of pursuing the protection of Human Rights in the province. To begin with I would like to point out that the enforcement procedures outlined in this Act are primarily legalistic in their intention, and while I have every confidence in our court system, unlike the Minister of Mines and Natural Resources who

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(MR. AXWORTHY cont'd) . . . . says that from time to time that they are simply a group of political appointments, and while I believe the courts are very essential, the first line of defence in the protection of human rights, I think that relying solely upon the legal procedures, simply upon the adjudication procedures, is a very arduous, time-consuming, difficult procedure itself, and one which may in fact tend to offset or frustrate, . . . the individual who potentially wants to have his rights secured. The problem with our courts today is mainly that they're very busy, and the problem in many cases of legal procedures is the right to maintain counsel and all the other kinds of requirements, and that once a person has an awful lot of patience and a good deal of time and usually some resources, he finds that recourse to the courts oftentimes can prove to be too costly and in many cases people simply say it's not worth the effort. And what would happen if that was the case, if we rely solely upon a judicial process, if you like, as a means of securing our rights, that many small people who are not sophisticated in the ways of the judicial process may find that unconventional or incompatible with their needs, and secondly, would not be prepared to enter into a long, drawn-out procedure.

So I would suggest, Mr. Speaker, that one of the difficulties or problems associated with this particular bill is it's relied solely upon the adjudication procedure, and by way of contrast or comparison, I would point out the kind of powers that have been given to other Human Rights Commissions in North America, particularly the U. S. Human Rights Commission and other state rights commissions, where in fact they are given powers for active compliance in and of their own rights; that they are given certain instruments that they can bring about the active pursuit of enforcement of human rights without relying upon the courts. To give one example that I recall from the U. S. Human Rights Commission, in many cases they have the right to compel compliance with any company or body doing business with the federal government if it doesn't live up to the standards of fair treatment and equal employment that is set forward in the Bill of Rights in that country. And they are simply not . . . have to rely upon the judicial process, but in fact can insist upon the foreclosure of that contract or that grant or whatever kind of financial arrangement it is, until the time that the compliance with the Bill of Rights is enforced. And it would seem to me, Mr. Speaker, that in past debates in this House, particularly where we have talked about the difficulty in securing female rights, both in the provincial Civil Service and in other forms of employment, a more activist set of powers or responsibilities on the part of the Rights Commission would have been welcome indeed, because it would have meant that we could have taken a more positive and activist role in the pursuit of rights.

In fact one question it raises, Mr. Speaker, is I'm not really too sure what the Human Rights Commission of the Province of Manitoba is supposed to do other than providing a certain educational function. And while again I think education's important and it's certainly nice that we're able to inform people of their rights, the Human Rights Commission, it seems to me from my reading of the bill, to be sadly eviscerated in any powers, that it simply is a kind of go-between between the complaint that's registered and a Board of Enquiry, which has the real key of digging into a problem, and it would seem to me that we may be just simply creating another piece of machinery which is a kind of "Rube Goldberg" machine that makes lots of noise and whirrs around and has lots of energy to it but it doesn't go anywhere, it doesn't do anything; and that again would be something that would concern me in relation to this bill, and that is that the role of the Commission is very fuzzy, is very ambiguous, and is not really spelled out other than in that kind of broad characterization of educational rules.

There's also an issue, Mr. Speaker, which I think perhaps goes beyond simply the role of the Commission, and that is, who is the Commission responsible to and who sets up this machinery? Because the one thing that we in the Liberal Party have been insisting upon since we have been debating the issue of Human Rights, and I suppose as Liberals have been debating them for about 150 years at last count, the one thing that we feel very strongly in terms of the machinery is that it must be independent; that it cannot be betokened to or beholden to a Minister of the Crown, and that is simply the position that has been taken by the Leader of the Liberal Party when he presented his own proposals on the Bill of Rights last year and that has been taken by other members of our group, that to have a Human Rights Commission responsible to the Minister of the Crown is almost a contradiction in terms. And let me explain why, Mr. Speaker, because I think it goes back to one of the issues that we have been debating in this House, and that is that one of the major transgressors of human rights in this day and age is



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(MR. AXWORTHY cont'd) . . . . government itself, and that the bias of members of that side of the House is to assume necessarily that the only transgressors are in the private area, the slum landlord, the bigot who runs a rooming house. What they do not recognize, and refuse to recognize continually, is that government itself is becoming increasingly as much a threat and danger to the preservation of human rights as anything in the private arena.

I go back to a debate that we held with the Minister of Mines and Resources last Saturday when we were raising some issues about the treasury branches and whether in fact the proposals by the government to move into the banking field would in fact dilute the capacity of the credit unions to serve individual members, and we heard in very eloquent terms that in fact no, that the government is the instrument of the people and that in fact government is the only institution, it's the only institution that is susceptible to change. The rest of them become encrusted with bureaucracy and become insensitive to outside interests, and become controlled by a power elite, and all the rest of that language. And it struck me as exceedingly strange that a man as skilled and as knowledgeable and as well-informed as the Minister of Mines and Resources, somehow has this blind spot in not being able to understand that government itself is one of the biggest institutions in the country and, as a big institution, is subject to most of the ravages of large organizations, which means it in itself becomes insensitive, incapable of reacting to people's rights, and in fact becoming in many cases the deliberate transgressors of rights.

Well, let's get to the point, because the Minister has said, well, now we have elections every four years. I think it was Mr. Churchill who said, you know, democracy operates once every four years. Because the fact of the matter is an election is a very crude instrument for registering people's reactions in change, because one thing that we have to look at is that a Minister, even as talented and as skilled and as hard-working as the Minister of Mines and Resources, he doesn't have nearly the time to watch over the activities of every single member of his department. He has a department of two or three thousand employees, and those employees are carrying out literally thousands of transactions with the public every day. And I would be amazed and surprised if the Minister knew of five percent of those transactions. And yet, in many cases, each of those transactions dealing with a public person becomes --(Interjection)--Well, he may be responsible, he may be responsible theoretically, but let's talk about facts. Let's talk about the facts of the situation. Because I'm not interested - to the Member of Point Douglas - about theory, and I'm not interested about sort of the nice philosophies of it, I'm interested in what happens to people in the real world, and in fact are people in the real world having their rights protected? The fact of the matter is that by every demonstration - and you can lay the record out time after time after time - that government in itself, in many of its activities, transgresses as often and as frequently and as dangerous a way as any other large organization. In fact perhaps even more so, because for one thing it tends to arrogate itself certain powers, and that some of the powers it does acquire for itself are because it does have capacity over force. And I would point out to the Member for Point Douglas, and I don't think I have to because I think he's well-versed enough in the history of many of the countries from whence many of his constituents come - that there has been no more serious tyranny in this world than the tyranny of the majority, the majority that thinks that once it acquires power by majority, that it has rights to do anything it wants to do.

One of the things that we forget in this House, certainly forget when we listen too often to the arguments of the members of this side of the House, is that that majority, that kind of electoral mechanism that was devised about, you know, in the 19th Century, somehow becomes magical. Somehow it all of a sudden says, "now that you've got 42 percent of the vote, you have mandate to do everything you want, " without recognizing that one of the first responsibilities of anyone who acquires that mandate is to exercise a restraint upon their power and to develop the mechanism and devices to ensure that the restraints are exercised, and that there's nothing worse than the tyranny of the majority, and there is nothing worse than a government that acquires power unto itself and assumes that that power should be checked only by the electoral device. Because the electoral device, according to any theory of democracy I've ever read and the Minister challenged me on the school of political science I went to, well I'd like to sort of account for the Minister some of those theories that we learned about, and one of those is that the electoral system is only one of a series of measures that have to be instituted to protect rights, and the electoral system is only one of a large range of devices

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(MR. AXWORTHY cont'd) . . . . that have to be put in place in order to ensure that there is a proper balance between the exercise of power and the restraint on power.

INTRODUCTION OF GUESTS

MR. SPEAKER: I wonder if I can take a moment of the House and interrupt the honourable member.

We have 38 students of Gladstone School, of Grade 6 standing, in the gallery. They are here under the direction of Mrs. McLaughlin. They are from the constituency of the Honourable Member for Gladstone.

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

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MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I'm very pleased that the students are with us today because I think there are some important issues about the way that the system operates in relation to the theory of government that we exercise. And the point I was trying to make was simply this, that while the government, according to the theories that we heard and have been hearing, has these mandates as they're now being called, because they acquired 42 percentage points of the popular vote, now all of a sudden--and by the way, that is a minority of the vote, as we all recognize--but all of a sudden they acquire the power to do as they wish. And I think that that is why this particular proposal is very important, because if in fact the case I've made is a correct one, that government itself becomes in many cases the instrument of the denial of rights, that it itself requires a certain amount of restraint, then it would seem to me almost a travesty to have a Rights Commission, that is in the business of trying to protect rights, beholden to a government which controls who's on the Commission, who's appointed to the board, and all the rest of the . . . because what happens is--let's take an example.

There is in this bill on the employment section one word which I found very helpful, and I'm glad it's been introduced, and that is, no one should be denied employment because of their political beliefs. And that, Mr. Speaker, is becoming an increasingly important fact because, as we have seen in the last three or four days, there is an obvious interest in this government of making the government the major employer in the Province of Manitoba, that pretty soon almost everybody will be working for the government. It therefore becomes very important that those who wish to be employed by some form of government agent, they not be denied their rights because they happen to have a political label other than the one carried by the government in power, or even be associated by name. It would be very unfortunate. I could think of several identifiable names of members of this House who are not in that party who will arrive some day to want to work for the Manitoba Housing and Renewal Commission, or want to work for the treasury branches, and all of a sudden, because of the instruments that we have available and have been introduced into the Civil Service Bill, that there is the opportunity, and I'm not saying the opportunity would be exercised, but there is the opportunity for discretion and discrimination to be exercised on the basis of political belief. And so I say, as the Member from Portage pointed out I think about two months ago in this House, in fact he had several constituents who claimed such a case and felt they couldn't get redress, that they had members of the Portage Hospital who felt they were being denied their rightful employment advances because of their political activity for a party other than the New Democrats.

So what happens is, now we have a Human Rights Commission which says "Thou shalt not be denied employment opportunities because of political belief." But all of a sudden they want to take their complaint to a Rights Commission, which has been appointed by the New Democratic Party, where the reappointment is going to be made by the New Democratic Party, where the Board of Enquiry has to be set by the New Democratic Party, and one might just have a slight tone of suspicion or a slight skepticism to feel that that case will be prosecuted with all the zeal and enthusiasm that it would rightfully require. Therefore, what I'm saying is that the rights that are included as proper establishments in this proposal, are in fact being denied by the enforcement mechanism that we have in the bill, and the only way, the only way to properly ensure, as I believe the Attorney-General would like us to be assured, that this Human Rights Commission and the Boards of Enquiry and the mechanisms they operate are

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(MR. AXWORTHY cont'd) . . . . beyond suspicion and beyond skepticism and beyond doubt, is to have the Rights Commission responsible to this Legislature so that it is a truly independent body operating as in fact the Auditor-General should act; that this is an area where one cannot trifle with it. And I don't deny and I would not argue, Mr. Speaker, in many of the cases the right of the government to make appointments to boards and commissions and all the rest of it. They are the government; they have the right to make appointments to Hydro boards and everything else. That's the fruits of office. But in this area where we are dealing with the issue--(Interjection)--and the spoils of office, that's right. We call it the fruits of office in our party. It's a more polite term. We have acquired - in our long years in government we have acquired a more elegant phrasing for things, I suppose. Yes. The point I'm making, Mr. Speaker, is that in this case, in the area of human rights legislation and human rights enforcement, it is one particular piece of machinery and one particular device that that principle should not be applied to, and that that Commission should be fully independent in its functioning, and its independence can only be guaranteed if it in fact is responsible to this House for its operation. Because that is the way in which I think we can all be guaranteed that all those rights, whether they be based on race or creed or religion or political belief, will be properly serviced without any bias thereto attached.

And, therefore, Mr. Speaker, we feel that, well, the purpose of the bill is perfectly in keeping with our own principles, we feel that the enforcement machinery, which is really the guts of the issue, which is really where it's all about as how do you enforce it, has serious weaknesses and drawbacks to it, and that those drawbacks should be improved, because I think, Mr. Speaker, that is when you begin moving into the area of human rights it is very important that we look carefully at the instruments that we have provided, because there is no point in providing rights if you are only paying lip service to them. There is no point saying to the Province of Manitoba to the citizens: "Here are your rights," without ensuring that the protection in advancement that is being offered is more than adequate.

INTRODUCTION OF GUESTS

MR. DEPUTY SPEAKER: I wonder if I could just interrupt the member to introduce the members to the gentleman in the loge to my right, the Honourable Horace Smith, Minister of Municipal Affairs for the Province of New Brunswick. On behalf of the honourable members, I bid you welcome.

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MR. DEPUTY SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. Just then to conclude, I would say that in terms of our assessment of the bill, that first we think in the enforcement machinery there is a basic reliance upon the judicial process as the first line of defence, and what we say, that as a required first line of defence, it is not sufficient defence or advancement for the protection of rights; it is only one recourse and one means, but one which has some drawbacks, particularly in relation to small cases, cases involving older citizens who are oftentimes frightened by the judicial process, who feel that they do not have proper protection or access to it. And that's why we feel that the Rights Commission in itself should have its power spelled out more explicitly and certainly have the powers for more affirmative action to be able to take a more positive and creative action for the advancement of rights, rather than simply being a reactive device which sort of takes complaints and then proceeds them on. So we feel that in that one instance that the Rights Commission and the machinery set up is in a sense a reactive passive instrument, not an active one.

Secondly, we feel that in order to properly pursue the independence of that Commission that it must be responsible to the Legislature, and that particularly needs to be underlined in this time and age where the government has obviously made a conscious choice to expand and aggrandize its own operations as a government, because government itself is one of the agencies and large organizations of this community that must be watched carefully in terms of its treatment of rights because it is as any large organization tends to be, like an octopus; as the tentacles grow further out, it becomes more insensitive on the ends. Or I suppose as a better analogy, it would be more like a dinosaur; while the brain up here is very small, it has a very large body and as a result it begins to lose a sense of movement to the extremities on all of its

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(MR. AXWORTHY cont'd) . . . . limbs. And as that begins to happen, as it is now obviously happening, it is very important for this Legislature to make sure that we strengthen the devices that we have to provide the restraints on power and to strengthen the machinery that we have, to provide for protection against abuse. In this bill we feel that we do not have that kind of machinery and therefore we would hope that the Minister would listen attentively to our recommendations to strengthen in fact the Commission itself and the Board of Enquiry, and certainly to make it an independent body responsible to this House in its own right.

MR. DEPUTY SPEAKER: The Honourable Member for Point Douglas.

REV. DONALD MALINOWSKI (Point Douglas): Thank you, Mr. Speaker. Mr. Speaker, I address my remarks through you, not only to the honourable members of this House, but also to the equally honourable citizens of this province. The subject of "human rights" is a universal ideal, but it can only be meaningful when translated into a specific protective context, and made real and ensured in the concepts of the vast majority of our people.

Let me begin by saying that it is my conviction that human rights concerns, have their origins in spiritual values. These values in turn give rise to ethical and moral concepts. The basic ethical concept of our Judaic-Christian tradition is that all men are brothers, and all men are brothers only if they share a common Father—a Father who in the Christian religion and tradition is God.

What I am saying is that as inhabitants of this planet we are meant to live as a global family. The astronaut from Appolo 13, Mr. Warden, commented, when he visited Winnipeg last year, that when he went up to the moon he went, proud to be an American citizen, but as he came back and saw the globe, he felt instead that he was proud to be a citizen of this beautiful planet. The "brotherhood of man" is not intended as a distant ideal or an impossible dream, but a practical way of daily living. It is stark realism in our Manitoba mosaic to forward the principle that every person within our borders is free and equal in dignity and rights. It is also realism to recognize that we have a long way to go to implement this ideal.

Mr. Speaker, it is nearly 2,000 years now since an early missionary, named Paul, wrote of the new-found unity in the faith he was expounding in these words: "There is neither Jew nor Greek, there is neither slave nor free, there is neither male or female, for you all are one. It is that ideal of oneness that should be the spirit of our deliberations here in this House as well, especially when we discuss human rights. Ultimately, we are neither Conservative, Liberal nor NDP, but rather a single group called to serve all the people of Manitoba. We need in this Chamber to recapture some of that spirit of Paul, as indeed the entire world needs that spirit, I am only sorry that in the 2,000 year interval, too little has been done, both in society and in the Church, to bridge the cultural gap, to eliminate slavery and other economic injustices, and to make much significant progress in eliminating discrimination against women.

Twenty-five years ago the United Nations organization issued its ringing proclamation of Universal Declaration of Human Rights. In that interval, huge strides forward have been made in Canada and other parts of the world in the realization of those ideals.

Four years ago, this Assembly gave assent to the Manitoba Human Rights Act. In the three years since the Human Rights Commission has been established to administer this Act, a significant beginning has been made within our province. We have had in this Act the nucleus and the use of an instrument both to enhance and protect the rights of our citizens.

There are those who contend that it is impossible to legislate human rights. They claim that you cannot legislate attitudes, that laws cannot eradicate prejudice and intolerance from the minds of men and women, and that rights can only be protected by persuasion, not by legislation.

Mr. Speaker, that concept is partially true, but as such is a dangerous half-truth. In arguing the merits of education versus legal restrictions, it is not a question of either/or; rather, it is the both/and two-pronged approach. And this we are doing in Manitoba with some considerable success.

But there are gaps not covered by our 1970 legislation. There are weaknesses in the administrative process in need of correction. So now in Manitoba, in 1974, we have the opportunity to update our Human Rights Act so that it will stand second to none in Canada, but even it will be only a tool to tackle the all-pervasive and insidious cancer of prejudice and discrimination.

Legislators and human rights commissions cannot do the task alone. It will require a

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(REV. MALINOWSKI cont'd) . . . . concerted effort of all men and women of good will in a massive team effort. Only then can significant strides be made to correct injustice to minority groups, like our Native people, and to disadvantaged groups such as women, in our society.

Mr. Speaker, I should like to re-emphasize the main thrust of my argument. The core of this concern must, in our democratic Assembly, be related to the way in which the majority treats its minorities. There is a very natural tendency in a democracy - since elected assemblies are dominated by the majority - for laws to reflect the best interests of that majority. There is a very real temptation for the majority at times to ignore or neglect, or even to trample on the rights of the minorities in any society.

Mr. Speaker, let me say, both loud and clear, that the acid test of any democracy is to be found in the manner in which that society treats its minorities. I am convinced, Sir, that I speak not only for myself and not only for my colleagues on this side of the House, but also for all honourable members in this Assembly. Together we unite to continue to build a society in which there will be equality of opportunity for the disadvantaged; a society in which there will be shown genuine compassion and protection for those who suffer from prejudice and discrimination; and a society in which the strong will bear the burdens of those who are weak.

A modern youth folksong has a line appropriate for all of us: "He's not heavy, 'cause he's my brother." And that, Mr. Speaker, is the foremost task of the very capable, dedicated and energetic staff in our Manitoba Human Rights Commission. That task is to encourage, promote, and develop the kind of attitudes amongst all our people, that they will be able from their hearts to say, "He's not heavy 'cause he's my brother."

And so, the educational task laid out for the Commission in Section 9 of the 1970 legislation, and continued in our proposed 1974 legislation, is of paramount importance. Human dignity and human rights for all can best be achieved by consent, and not by coercion. That goal can be realized better through our schools than through our courts. It will be more effective to try to prevent discrimination rather than to punish after the deed is done. I am saying that our goal must be to foster among all our citizens, and particularly among our children and growing young people, a basic respect for the rights and dignity of all, regardless of race, nationality, religion, colour, sex, age, marital status, ethnic origin, source of income, or even political belief.

I am also saying that the achievement of that goal must come when we base this concern on our spiritual roots, moral values and ethical precepts. We are fortunate that in the Judaic-Christian heritage of Western civilization there are the seeds of tolerance toward all human beings. But we are unfortunate in that we are constantly in danger of becoming what Dr. Elton Trueblood once called "a cut flower civilization". We dare not cut ourselves off from the spiritual, moral and ethical roots that lie behind all human rights legislation. Thank you.

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, I'll be closing debate.

MR. SPEAKER: Closing debate. The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, I move, seconded by the Honourable Member for Brandon West, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Bill No. 64, Mr. Speaker.

MR. SPEAKER: The proposed motion of the Honourable Minister of Finance and the amendment thereto. The Honourable Member for Rhineland. (Stands)

MR. GREEN: Bill No. 71, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Pembina is absent.

MR. GREEN: Bill No. 74, Mr. Speaker.

MR. SPEAKER: The proposed motion of the Honourable Minister of Industry and Commerce. The Honourable Member for La Verendrye is absent.

MR. GREEN: Bill No. 84, Mr. Speaker. Just a minute, Mr. Speaker. Perhaps - does the Member for Pembina wish to speak on Bill 71?

MR. SPEAKER: Bill 71?

MR. HENDERSON: Mr. Speaker, could I have this stand? (Agreed)

MR. GREEN: Bill No. 84, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Opposition is absent.

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MR. GREEN: Mr. Speaker, apparently the Leader of the Liberal Party wishes to speak on Bill No. 77. Then, Mr. Speaker, we go to the Concurrence motions. No, excuse me. Bill No. 58.

BILL NO. 58

MR. SPEAKER: The proposed motion of the Attorney-General. The Honourable Member for Winnipeg Centre.

MR. J. R. (Bud) BOYCE: Yes, Mr. Speaker. I adjourned this debate on behalf of the Attorney-General.

MR. SPEAKER: The Honourable Attorney-General will in that case be closing--I see. Third reading. The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, I appreciate the debate on this bill. I think really there is only one point that remains to receive clarification. That was a matter which was raised by the Honourable Member from Riel in respect to the payment of the balance of local improvement charges into the municipality at any time during the period that the debt is outstanding. The Honourable Member for Riel raised that question during second reading and I believe wondered if there was any response forthcoming to the matter which he had raised.

I would like to simply state this: that we have had discussions since and before the Honourable Member for Riel raised this point, because certainly in principle one could not help but at first glance favouring the procedure by which one would be able to prepay local improvement charges at any time. There is a problem I gather, administratively and costwise, because when a municipality does proceed to borrow money for the purpose of a debenture, a specific period is indicated along with specific properties outlined. In the event that, for example, proposed debentures are issued to cover the debt for local improvements against, say, 100 properties, if during the course of a single year, for instance, a substantial number of the property owners come forward and prepay their local improvement levy, then there are problems, because the amount has been outlined in the original application for the debenture, moneys have been raised, a certain interest rate is being paid, and in the event of a prepayment then the municipality has to then attempt to make arrangements in order to reinvest that money, hopefully at a rate of interest which would be comparable to that which it was being charged for in respect to the raising of the original debenture.

So there is some concern on the part of municipalities as to the possible administrative, technical and cost factors that they might be engaged in this respect. Certainly the administrative costs would be negligible if it only involved a few instances of such prepayment. On the other hand, if it involved many instances of prepayment, then it would create substantial problems for the municipality involved. I think, however, that one ought to say this, that it is not valid to make a comparison with an owner of property paying off his mortgage before the full term. That's frequently used as the basis of the comparison. It probably would be more valid to compare it with the owner of property asking the mortgage company if he could pay off the mortgage on the easterly ten feet of his property. That would be a comparison, I think, that one could more fittingly make in respect to this type of situation.

So in summary, Mr. Speaker, there are problems that one is engaged in in accepting the suggestion by the Honourable Member for Riel. There can be some serious problems. On the other hand, I want to say this, and I notice the Honourable Member for Riel is just entering the Chamber and I would like to just mention for his benefit I have just been dealing with the question relating to prepayment of local improvement levies, and outlined the problems that are involved of a technical and administrative and cost level insofar as municipalities are concerned. But I would like to say to the Honourable Member for Riel that since we do meet on a regular basis, the municipal organizations, the union, the Manitoba Municipalities, the Urban Association, Secretary-Treasurers' Association, plus department and people and myself, I will assume responsibility for placing this matter on the agenda of our next advisory committee meeting for a full discussion. I have outlined the problems as we have received them in the past from both the municipalities and from the department. In principle, I think we would want to attempt to develop some procedure that could accommodate, but there are problems that are expressed, and I would wish to have this thoroughly discussed at our next Municipal Advisory Committee meeting.

QUESTION put on third reading. MOTION carried.

BILL NO. 77

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Yes, Mr. Speaker. I wonder, with the permission of the members, whether we can go back to Bill No. 77. Apparently the Leader of the Liberal Party is ready to speak on that bill.

MR. SPEAKER: Very well, with the provision that there will be no amendment. The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, the position we find ourselves in vis-a-vis Bill 77 is one of frustration in that at this stage it's necessary for us to reserve our position because Bill 77 is an omnibus tax bill. As well, Mr. Speaker, the last election dealing with amendments to the Mining Royalty Tax Act, Part 6, are very much a part of our attitude to Bill 82, which of course is the Principal Minerals Royalty Act. Mr. Speaker, it's virtually impossible to make a final judgment on Part 6 of Bill 77, the Mining Royalty amendment, without first knowing what's going to happen with Bill 82, unless the government indicates that it is going to submit Bill 82 for further discussion between sessions or something of a comparable nature.

I think first I want to comment that Bill 77 embodies the most undesirable features of law-making. In general, Mr. Speaker, what you've got is a bill which deals with several taxing statutes in the province. Some of those provisions are, for example, basically the sales tax amendments are progressive and are of a benefit to the people. Amendments to the gasoline tax which is Part 3, while desirable - I'm sorry Part 2 - and Part 3, the Motive Fuel Tax Act, these are relieving provisions therefore will obviously have widespread acceptance. The Tobacco Tax amendments not terribly significant and the amendments to the Revenue Act which do require some further debate but still not horribly controversial. And then the Mining Royalty Tax which is all part of it.

Mr. Speaker, members of the Opposition who want to have their votes record their views are frustrated if they have to vote on Bill 77 as an omnibus bill. How can one, if one wants to oppose one section, deny passage of another. And I recognize there are times when governments are required to do that. Mr. Speaker, often where there is a minority government it becomes justified in order to obtain passage, the technique is often used to put the good with the bad, so to speak, and force one vote. But this government does not have that situation. This government has a majority and therefore this government ought to have allowed the Opposition the opportunity to vote on Bill 77 as four or five or six separate bills, because it is most unusual, Mr. Speaker, to find a bill which contains significant tax changes to one set of tax laws, also contain significant changes to totally separate bills. It is a normal procedure that if we are going to amend the Income Tax Act, we amend the Income Tax Act and that's a bill. And if we're going to amend the Gasoline Tax Act, we have a bill to amend the Gasoline Tax Act. And if we're going to change the Sales Tax Act, we bring in a bill. But, Mr. Speaker, to put all those into one bill denies the Opposition, denies the public the right to understand how people are voting and why people are speaking in particular ways on this bill.

Now having expressed our regret that the government uses this undesirable, and I say unwarranted and unfair and unworthy technique, we now have to make a judgment as to whether or not we will support Bill 77 as an omnibus bill. In other words, are we prepared to deny the people of Manitoba the somewhat modest tax benefits that are contained in parts of the bill in order to reserve a position on the most important feature of the bill, the last section No. 6, dealing with the Mining Tax and the royalty changes. Because I do not believe, as I'm sure the Honourable Mines Minister would agree, that one should not consider the change in the Mining Royalty Tax Act in the vacuum or in a vacuum pretending that Bill 82 doesn't agree, or doesn't exist. Because, Mr. Speaker, the two are very very much tied together in philosophical terms as to where we're going in mining tax. I don't want to deal at great length with that, Mr. Speaker, but I think there are some comments warranted on Bill 77 on the sections preceding Part 6.

Mr. Speaker, we have in the first part the simple act of removing sales tax from the purchases made by our native people, if the goods purchased are to be consumed on an Indian Reserve. I must say, Mr. Speaker, that that surprises me. It is an act of political opportunism, or an act perhaps of political cynicism made in response to the pressure brought by a number of the Reserve Band chiefs. Now I don't deny that it will bring some relief, and some worthwhile relief to the purchasing power of our native people, but, Mr. Speaker, I don't believe, and I will never be persuaded to believe, that tax laws should ever be framed to give

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(MR. ASPER cont'd) . . . . one an advantage or impose a disadvantage or impose a benefit of extract a penalty on the basis of one's race, religion, national creed, political philosophy or anything else other than valid taxation principles. --(Interjection)--Residence?--Yes, Mr. Speaker, including the geographic location of where one lives.

Mr. Speaker, if one is doing well--(Interjection)--Mr. Speaker, if the Minister of Finance wants to spend the afternoon doing this kind of thing, I'll do it. I'll answer everything you say. --(Interjection)--No, make up your mind, I have, as my honourable friend the Minister of Mines reminds me, unlimited time, and so I don't want to limit the Minister of Finance from interjecting. --(Interjection)--Certainly.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, at the invitation of the Honourable Leader of the Liberal Party, I ask him whether he is not aware of the fact that this type of provision exemption exists in Ontario, Saskatchewan and Alberta and this is in line with what already exists elsewhere; and also that he does not recognize the distinction that living on a reservation makes in relation to income tax and many other aspects, municipal taxation, other aspects of life within the province for those people who are federal wards.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, I'm well aware that sales tax exemptions for people living on reservations have been enacted in Saskatchewan and Ontario as the Minister indicates, yes. That doesn't make it good law. Because, Mr. Speaker, the Province of Saskatchewan has also enacted restrictions on foreign ownership of land. This government doesn't follow that precedent. So, Mr. Speaker, I don't think the Minister gains any accolades for the bill simply because somebody else has done it. Because if he accepts that as the taxing then I'm surprised we haven't abolished sales tax entirely as the Government of Alberta has done. --(Interjection)-- Well, Mr. Speaker, if we're going to go to precedent, let's get rid of death tax because every other province in Canada is moving out of it; we're moving more into it. But Ontario has reduced hers, Quebec has reduced hers, Nova Scotia, New Brunswick and Prince Edward Island have abandoned theirs; Newfoundland is talking of abandoning hers; and B. C. has increased the exemptions to the extent where it is, I believe, something like four or five times as soft as the Manitoba Act. So, Mr. Speaker, if the Minister of Finance makes his case for this bill on the grounds that there are precedents, two out of ten other provinces have done this, then he should do what eight out of the other ten provinces are doing, and that's reduce or remove the death tax. And that of course is part of his plan.

Mr. Speaker, the beneficiary of that section that removes the sales tax from the purchases made by the Indians on the reserve, the beneficiary is not the Indians; don't ever let it be thought that the beneficiary is the Indian. The beneficiary is the Federal Government who doesn't need our largesse. Because, Mr. Speaker, by reducing the sales tax you reduce the cost of living for the person on the reserve and thereby you reduce the requirements of the federal supplements to their income, which is the hallmark of life on the reserve, as a vast majority, Mr. Speaker. So the beneficiary will not be the native people; the beneficiary will be the Federal Government which will not be required to raise the allowances as fast as they might otherwise simply because there has been a reduction in their cost of living through a provincial sales tax reduction.

Mr. Speaker, the Liberal Party will support any reductions of sales tax because we believe the sales tax is contributing to inflation in this province. We went into an election where we asserted that if we were to form a government and in any event we would advocate in this House the reduction of sales tax from five percent to three percent and the removal of that sales tax from all necessities certainly in reverse priority. The first is the removal of sales tax from all necessities of life. And I would be delighted to be having a debate what are necessities. We haven't even been given this opportunity. All we've been given is a modest reduction of sales tax (1) for native peoples; and (2) for goods brought in from outside of the province, up to \$100 I believe it is; and (3) for meals up to \$3.00. That's the great reform of the sales tax that the NDP has seen fit to bring in at a time when any economist will point to sales tax as the most, the most contributing to cost of living escalation of all taxes.

Mr. Speaker, that brings us to Section - Part 2, The Gasoline Tax, and Part 3. I won't comment as honourable members have before me of the police state legislation of disclosure, seizures, warrants, sales; Mr. Speaker, that kind of thing is insidious in tax legislation and



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(MR. ASPER cont'd) . . . . it runs the gamut throughout these two sections of the Act - these two parts of the Act. But, Mr. Speaker, what I do want to comment on--and the reason I don't dwell at length on the fact that these two sections particularly contain frightening invasions of fundamental basic liberties is that we know, we know that this government is not susceptible to that kind of argument, is not sympathetic to anyone who makes the case that civil rights come ahead of government efficiency.

We believe that no one should have the right to enter any premises without warrant; and not warrant given as a fiat by a Minister, but warrant by the courts, unless there is basic evidence of wrongdoing. We believe that one's goods should not be seized without due process of law. We also believe, Mr. Speaker, that the government should be the instrument and the agency of protecting liberty not curtailing it. And where you do have to make a seizure let the very least this legislation say is that where there has been a seizure, the goods seized, the records seized will be sealed and not examined until somebody has the right to go to court if he wants to go to court to determine whether it's a fair seizure, a warranted seizure, an authorized seizure. And, Mr. Speaker, where we have that kind of a seizure, at the very least let the legislation provide that the person whose records are seized will have full access and his counsel will have full access.

Mr. Speaker, the basic elements of justice require that kind of perfection or improvement in the Act, but there's one thing of more substance; not the frightening invasions that are the hallmark of this government in all of its legislation but the fact that the miniscule reduction of the impact of the oil and gas charges that this bill provides, two cents per gallon, two cents per gallon when the people of this province have been hit with a ten cent per gallon, nine cent per gallon increment in gasoline.

Mr. Speaker, it's been said before that this government has to share some of the blame for the fact that there is such an increase, because it went to the conference and it negotiated and this is the best it could come up with. Mr. Speaker, there's some question in my mind whether the government at that conference even knew what it was agreeing to, for it's very clear that the 6.50 per barrel I believe this government believed meant delivered barrel, and we now find that it's not 6.50 for delivered barrel, it's 6.50 per wellhead barrel, so the 6.50 becomes 7.00 or 7.25 because of the delivery charges. And we, the consumers of Manitoba, are bearing the cost every day we drive up to a gasoline station, we're bearing the cost of that badly handled negotiation. And in its summary on that aspect, Mr. Speaker, we would have expected that a government that had a profit on inflation through its other taxing devices this year - I'm referring to the 120 to 140 million dollar profit - certainly \$120 million of profit in tax revenue occasioned by inflation. We would have expected that this government would have found a suitable technique of giving back to soften and to ameliorate the effect of cost rise where they were specific. And there were several places they could have done it. One was Hydro which they have control over and permitted to be raised; one was the Autopac premiums which they control and permitted to be raised; and third, was the price of gasoline which indirectly they control 17 cents of the price of every gallon of gasoline.

Mr. Speaker, I believe that the government has an obligation to do what it can to soften the cost escalation in the price of goods. Now in those areas, in those areas the opportunities were there. There was \$120 million with which to do it. Now what did the government do? They allowed the escalation of price to go through, of the oil price, they were part of the negotiation. We heard no violent protest because Mr. Blakeney of Saskatchewan presumably had lobbied it through with his confrere the First Minister of this province, for whatever reason. But, Mr. Speaker, I didn't see an aggressive delegation at that energy conference where this 6.50 was settled and which is being paid for every day of the week by the people of this province at the tune of 8 to 10 cents per gallon of gas. Now the opportunity to ameliorate it, to soften it, was there and we questioned it in the House, we expected meaningful effective action by the government. What do they do? They drop the tax by two cents per gallon, so instead of a 10 cent rise we have an eight cent rise or a seven cent rise per gallon. Mr. Speaker, that even did not come out of the profit on inflation. Rather, Mr. Speaker, the government then went to the oil companies, taxed them and said we'll take the money we get from the tax, which is valid, and we'll give it back through this technique, the two cent drop. So the Government of Manitoba has given zero from its own revenues to the consumers to reduce this cost in this bill. They have taken the tax, they have taxed the oil companies on their price rise, which was

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(MR. ASPER cont'd) . . . . legitimate, they have taken that money and given it back, which was required, that comes to two cents a gallon and I hope they've given it all back, and done nothing through its general revenue increment of \$140 million to further soften the impact that every Manitoban, every Manitoban suffers one way or the other, mostly directly in the 440, 000, I believe it is, automobiles - and that's not just the rich, Mr. Speaker, that's everybody - or through higher cost of transportation because of the gas price. But everybody feels it. Here was a chance for a concerned government to take real action and they failed. There's no reason to question why they failed, they didn't want to. They want the tax revenue high; they want to take more from the public because they believe they have a better plan for spending public money than the public does.

Finally, Mr. Speaker, I don't want to deal at this time with the administrative, the non-material parts of the Act. I do want to comment though on Part 6, explain further why the Liberal Party has trouble at this point in taking its position on Bill 77 in the absence of a definitive position on Bill 82, which is about to be debated. Mr. Speaker, I want to say that - it's with a sense of sadness that I say it too - that there is a sickness gripping a good deal of the western world. There is a mania and hysteria for governments in a pathological search for more revenue to continually bribe people, pay people, serve people, whatever you want to say, with tax revenue. The last few weeks we've seen some of the most foolish ill-considered legislation floating around this country, whether it's energy taxes or whether it's capital gains taxes, whether it's speculative taxes in Ontario, whether it's take-over taxes in Ontario. I just want to deal with that to demonstrate the insanity that seems to be gripping government, because it fits into the concept of Bill 77 vis-a-vis Bill 82. I'm not condemning Bill 77, mining section; I am expressing caution, I'm expressing deep sadness that we do this kind of thing in the dying moments of a session; that we increase by 60 percent the tax on one industry, having doubled it the year before, or the two years before, with so little thought, with so little examination. And, Mr. Speaker, as I say I'm not prepared to say that I don't support the 23 percent rate. I have comments on it. Perhaps it is right. Maybe it should be 25, I don't know. And if I don't know, Mr. Speaker, I want to say this. I have spent a considerable portion of my time acquiring at least a passing acquaintance with tax laws. And if I say I don't know, I say that sincerely as a Manitoba citizen, as a Canadian. I share with my honourable colleague, the Minister of Mines, a desire to see the public receive a fair share of the bounty that flows to the corporations, whether they're mining companies or whether they're agricultural corporations or whatever they may be; a fair share. But, Mr. Speaker, I don't know in the period of two weeks that we've had this bill, I don't have the data and I don't know if the government has the data to be able to measure the impact of this.

Mr. Speaker, what I am saying is a few weeks ago the Province of Ontario did exactly this. Not in the same field. They said, we're going to introduce the speculative tax land tax bill. That sounds great. We are going to get the speculators they said. We're going to tax the speculative profits made by people who sell land, by 50 percent. We're going to tax them 50 percent. That sounded good, Mr. Speaker, because what they were saying was, we are going to make it unprofitable to speculate, there is a school of thought that believes that if you tax enough you will be able to discourage people from trading in property, and that will keep the price down, theoretically. I don't think it's right and the Mines Minister is nodding in agreement.

I think the Province of Ontario did one of the stupidest things - and that's a Conservative Government, it's not an NDP Government. Because what they said when it got drafted, Mr. Speaker, was speculation means that when the Honourable Speaker of this House retires and takes \$20,000 of his life savings or when a railway man finally decides to retire and invest his capital savings to supplement his income and he buys a duplex and he invests in the duplex and he gets an eight percent or nine percent return on his money and three years later he decides to leave, so he has to sell the duplex. Mr. Speaker, did you know what? He is a speculator. That man is a speculator and he will pay a 50 percent tax on the profit that he makes on the sale of his duplex, not his home but the duplex, the investment property. And after he's finished paying the 50 percent tax, as Bill 77 will do, he finds he cannot deduct from his federal tax the provincial tax he's just paid. So he's paying now first the 50 percent provincial tax and then the 25 percent federal-provincial combined tax, making a 75 percent tax.

Mr. Speaker, Bill 77 potentially has the same effect, because as the Minister full well

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(MR. ASPER cont'd) . . . . knows, the 1972 income tax reform bill says that in 1977, or 1976, the provincial royalty tax will no longer be deductible for federal tax calculation purposes. Mr. Speaker, the budget presented to the Parliament of Ottawa May 8, said the same thing, we are going to accelerate that. We are going to provide immediately that the mining royalties payable to a province will no longer be deductible in calculating, as of this year, in calculating the federal mining income tax. That means that if this were to go through before we know the outcome of the federal election, before we know the outcome of the next federal budget, because we know that if the present government federally is returned it intends to enact that. Mr. Turner has said so. Therefore we will have a 75 percent or so - or more--(Interjection)--Oh, Mr. Speaker, the Mines Minister says there's a provision for reduction of the provincial tax. At his discretion. Mr. Speaker, I always thought that in order for taxation, that in order for taxation to be fair or just it had to be certain, it did not have to be at the whim of a Minister, it had to be clear, it had to be non-discretionary. Mr. Speaker, you are hearing, or perhaps you can't hear the remarks from the seat of the government benches, you are hearing laughter at the idea that government taxation should be by parliament. Mr. Speaker, I don't know what the Magna Carta was all about--(Interjection)--Not yet.

Mr. Speaker, this is insidious legislation. It is insidious legislation. It's odious legislation. Because it says that the Minister sitting in his office without resorting to the Legislature can set the tax rates except he can only go so high. --(Interjection)--No, he can only go so high. There's no limit to how low he can go. And, Mr. Speaker, it also implies, unless we get promise of clarification or amendment, that he can set perhaps one tax rate for one company and another tax rate for another. Mr. Speaker, I want to hear more on this before I am able to take a position. Mr. Speaker, I look at Bills 77 and 82 as a conglomerate because they do work hand in glove. --(Interjection)--

MR. SPEAKER: The Honourable Minister of Mines state his point of order.

MR. GREEN: Yes. I do think that the honourable member has to confine himself to the effect of this particular Act. The other Act is on the Order Paper and the debate on that would have to come under the debate on the other Act, otherwise you'd have no question of relevance on either question. And this Act is merely changing the rate that exists in the present Act and I think that the honourable member - I realize that he wants to talk about the other Act but surely the proper time would be when that is debated.

MR. SPEAKER: The point is well taken. The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, my reference to the other Act is merely to explain why I am reserving my judgment on Bill 77. I don't want to debate Bill 82 of course, but I am saying that there is an interpretation under this Act - and I don't know if it's right by the way - which has been put to me that suggests that the government under this Act could set varying rates between companies and I don't know how far the regulations will permit them to go. Now if we were to have an assertion from the Minister that he has no intention of doing that that would be fine. As a matter of fact, I would rather see it in the bill because Ministers change.

Mr. Speaker, we have never enacted laws in modern times, outside of perhaps Alberta with its oil royalties and I think one other province is Saskatchewan, Mr. Speaker, we have never enacted law which allows - we have never in this House enacted law which says the Minister in effect will decide from time to time, moment to moment, week to week under this bill what the tax rate will be next year. Mr. Speaker, we are not looking at minor regulatory taxes; we are looking at massive taxation. We're looking at taxation designed to produce almost as much from one industry as we take from the entire corporation tax in the Province of Manitoba. This is not some kind of tree stumpage thing where you set 50 cents for cutting down a tree. This Act will yield what? - \$30 million? Mr. Speaker, there's a widespread gap in what the government thinks it will yield and what others think it will yield. --(Interjection)-- Mr. Speaker, I hear the Minister muttering it's \$18 million. Well, Mr. Speaker, I have had analyses which suggests that it could be that this Act will produce \$30 million next year. --(Interjection)--The mining realty - 77 alone - \$30 million. Now what do we collect from our corporate tax? Forty-six million?

MR. GREEN: Mr. Speaker, I wonder if the honourable member will permit a question.

MR. ASPER: Okay.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: I am trying to find out what he is referring to when he says \$30 million.

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(MR. GREEN cont'd) . . . . Is he referring to the eight percent increase? Well the total 23 percent that is a different - yes, Mr. Speaker, it has been designed on the basis that it would yield approximately that based on last year's revenues. It may yield more. We hope the mining companies will make more revenue.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Then, Mr. Speaker, that being the case, my point is that any tax that can produce, 30, 35 or 25 or 40 million dollars is not an insignificant tax. Rather it represents more than six percent of the total revenue that this province takes in from transfer payments and everything else. But it also represents nearly as much as we get from all corporation tax alone. It also represents probably a quarter of what we get from income tax. So it's no mean little Act. Now, that being the case, this House and this House alone, must have the right to set that tax rate. And not the Minister and not the Cabinet. This House.

The Minister expressed surprise - the Minister of Finance - that I would suggest that taxation should be passed by this House, by the Legislature, that taxation in order to be fair must be passed, enacted, by the duly elected people, the representatives of the public. That's what the American Revolution was all about. Where do you think they got the slogan "no taxation without representation?" Well, Mr. Speaker, that's what this bill is: Taxation without representation, because the representatives of all the people of Manitoba are denied the fundamental democratic authority of setting the tax rate, and being responsible for setting those tax rates.

MR. GREEN: Mr. Speaker, would the honourable member permit another question?

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Should not his slogan accurately be "no reduction in taxation without representation" because that's the only thing that's allowed; and did the honourable member himself not recommend that kind of suggestion to the Minister of Revenue at Ottawa, Mr. Benson, on the basis that a tax could be reduced without parliament but could not be increased?

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, I recall vividly the discussion I had with the Mines Minister in which I told him of my proposal to the Federal Government a number of years ago, ten years ago I guess it was, or eight years ago. He does not quote me correctly though. What I recommend to the Federal Government, and they were I might say unable to persuade the parties of the House, including the NDP with whom it was caucused, that they should have that power, was that during the time that parliament is not sitting the government should have control of the fiscal machinery, and thereby should there be an inflationary situation or a tight money situation be free to reduce taxes for the two or three month period during which the House wasn't sitting. Mr. Speaker, that was canvassed with the NDP, and canvassed with the Conservatives, and canvassed with the Liberal caucus and turned down. Because no party in the House was prepared to give up its right to levy taxation, or its responsibility to face the public having passed taxation laws.

Mr. Speaker, it is very difficult - even if the bill is good, even if the rate is just, it is very difficult to commend the Minister for putting us in a position where we have to vote for legislation which gives a Cabinet the right, under whatever influences under whatever things that motivate it, the right to set a lower tax rate than we have set. Any kind of favouritism is possible there, Mr. Speaker. Any government with that power, and with the taxpayer knowing you have that power - and by the way, Mr. Speaker, we're not talking about the mining companies, we're talking about the gravel farmer, we're talking about all minerals. We're talking about all people who come under this Act. Little people - Mr. Speaker, Mr. Speaker, I overheard the Mines Minister use one of his favourite expressions. As soon as I mentioned the gravel farmer, he groaned and he said, "Here we go, he's found somebody. He's putting the children in front of the marching troops again." Mr. Speaker, I remember him using that expression when I opposed the government's bill on near banks, not near banks, banks, the treasury bill, treasury banks.

Mr. Speaker, there is a very cynical observation that can be made to the Minister - and I hesitate to do it because I haven't seen how he's going to vote - but if it were true, which it is not, if it were true that the opposition was simply putting the children in front of the marching troops in the expectation that the marching troops, the mongol hordes who are coming over the hills with their guns blazing wouldn't shoot the children, then, Mr. Speaker, that would indeed be cynical. That would indeed be cynical on the part of the opposition. But what is

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(MR. ASPER cont'd) . . . more cynical is that this government would shoot the children and this government will massacre the credit unions if that's what they want to do to get to the banking position. This government will penalize the farmer who happens to find a gravel deposit on his property and mine it, in order to get to the real enemy, the mining companies.

Mr. Speaker, my point at this stage of the debate is not to disagree with the 23 percent rate, because it may well be that the 23 percent rate is right. I note though, it concerns me a little bit, that you have a funny situation from this government. You have flat rate taxation. They didn't believe in flat rate taxation, Mr. Speaker. They believe in progressive taxation. It seems to me you believe in the ability to pay system --(Interjection)--  
Mr. Speaker . . .

MR. SPEAKER: Order please.

MR. ASPER: Mr. Speaker, let me give you the incredible example. The NDP has always said, and in most cases I think tax observers have agreed with them, the taxation should be based on the ability to pay, that in order for the ability to pay to be properly reflected one's ability to pay should be measured by progressive rather than flat rate taxes. And the theory being, and it's a questionable prolonged debated theory, but it has gained popular acceptance - that the more you have not only can you afford to pay more money but a greater percentage; that's the theory of progressive taxation. If you have \$10,000 the progressive taxation theorists, of which the NDP has always been one, say that you should not pay one-tenth of the amount that a man with \$100,000 pays, but rather in this country the man with \$10,000 pays X in tax and the man with \$100,000 pays 25 times X; not 10 times X which is his proportional ability to pay. That that's progressive taxation.

Now, Mr. Speaker, what we did, we put in a flat rate taxation system. Ontario - and I don't agree with what Ontario did either - but Ontario went to a progressive rate. They said that on your first \$100,000 of income the rate will be zero. Now Manitoba, on your first \$100,000 of income, the mining royalty is -- what is it? -- 15 percent, 15 percent - six percent, sorry. On the first \$50,000 in Ontario you pay zero and in Manitoba you pay \$3,000. Mr. Speaker, the peculiar thing is that if you make one million dollars in Manitoba you'll pay \$230,000, but in Ontario you'll pay \$150,000. Guess where you'll open your mine, if that's the kind of profit you're looking for or looking to make? But what happens, Mr. Speaker, is on anything over \$40 million of profit in Ontario you're paying 40 percent and in Manitoba only 23 percent; so what you're really saying is that the very, very lucrative companies would do better in Manitoba and those who make less would be doing better in Ontario, because of the progressive rates.

Mr. Speaker, there are several principles. I can't tell you today whether 23 percent is right. It may well be, but I'm opposing the concept of discretionary taxation. If the Minister will freeze it, then we can consider it on the basis of a 23 percent rate. But I take you back to how I began. What is happening is that the provinces are madly thrashing about, levying ill-considered taxes with very little time for scrutiny, study and debate, and finding how stupid they are later. I go back to what I started to say about Ontario.

The Ontario government brought in the Land Speculators Tax Act. They found that they weren't taxing speculators, they were taxing anybody who owned a farm. You paid a 50 percent tax if you sold your farm, unless you sold it to a member of your family. Mr. Speaker, that's the Speculators Tax. Well are you going to tell all the farmers of Ontario or Manitoba that because they own a farm and sell it at more than they paid, that they are speculators? And that's what the Government of Ontario did. Then they passed a thing very much like this bill has, giving the government the power to make all kinds of regulations, and it said they can even make regulations exempting certain property from the tax. Mr. Speaker, what kind of power should cabinet have? The power to tax, the power to destroy and therefore that power is only exercised by all the representatives of the people in the full glare of publicity, in the full glare of open debate with the media present, with the public present; not in the back rooms, not in the back rooms of cabinet where somebody can come in and say "exempt me" and by the way, I just happen to have made a contribution to your party for the next election so obviously you will want to keep me very happy. Oh I concede that isn't done as brutally or as overtly as I've said, and, Mr. Speaker, I can hear the Mines Minister saying "the Leader of the Liberal Party says that because that's what he would do". That's the way he always answers.

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(MR. ASPER cont'd)

Well, Mr. Speaker, I am not the government and I say that I don't want that power and I don't ask for that power to be given to anyone else nor will I happily see it given to anyone else; because, Mr. Speaker, the Mines Minister doesn't even know that the man in his department who is trying to convince him to reduce the rate unilaterally, has in some way, has in some way found it financially satisfactory. I'm not accusing anyone, I'm taking a hypothetical case. I don't believe in discretionary power to tax, I know the people of Manitoba don't believe in it. Would we agree, would we agree, Mr. Speaker - we passed a law in this House saying the tax rate for the people of Manitoba shall be 42.5 percent of their federal tax, or such other amount as the Minister in his discretion says - would we pass that? --(Interjection)-- Such lesser amount then; would we pass that? Or would we say no, the Legislature must jealously guard its responsibility and its right to hear reasons for tax changes and to debate them and to have the public hear the debate and have that debate reported before the tax law changes.

Mr. Speaker, the government does not understand the full impact of this Bill and I tell you that we don't because it's been presented to us along with all the other bills at a time when we have no time for research. Mr. Speaker, I'll give you another insane example that this may fall into and I still say I don't know. Mr. Speaker, the Province of Ontario again introduced a bill a couple of weeks ago which is an absolute nightmare. It says that if you sell land to a non-resident, not only will you pay the 50 percent speculation tax, not only will you pay the federal-provincial capital gains tax, but on top you will pay a 20 percent surplus tax for the right to sell to a non-resident. And, Mr. Speaker, in the passion of Canadianism --(Interjection)-- Mr. Speaker, the Mines Minister says that's your what?

A MEMBER: That's your position.

MR. ASPER: Mr. Speaker, that is not my position. We have never suggested that we should impose a tax on the right to sell to non residents. We said we should restrict the right to sell. What the Government of Ontario has done, what the Government of Ontario has done is put a price on the right to sell. That's not valid, because we don't believe that the tax system should be used to influence social or policy of land ownership. Mr. Speaker, I give you that example because that's what's happening, that's been happening for the last year: There has been a rush to the tax bin with little consideration. And I suggest to my honourable friends opposite, I ask the media, because after all, Mr. Speaker, it is the law, that everyone is deemed to understand the law, and one is expected, even if he hasn't read this Bill to know what his rights and responsibilities are under this bill.

Now obviously, Mr. Speaker, in order to know what one should be taxed he has to read the bill, and he finds his tax for this year will be  $T$  times  $P$  divided by 365 times.  $15$  plus  $T$  times  $A$  divided by 365 times  $V$ . Now, Mr. Speaker you know precisely what that means - you could tell exactly at a glance what your liability for tax is, it's totally coherent. All you have to do would be an algebra major and know a little bit of new maths, and those of us who are over 25 don't. So, Mr. Speaker, we would urge the government to explain its case far more adequately than this bill has been explained to date. We hope that the government will not bring this to a vote until we have had an opportunity to consider amendments. We hope the Minister will stand up and say: "All right, I will remove the discretionary provision." And that leaves us only one judgment to make, is 23 percent a fair rate? We'll make that judgment, but first remove the power to corrupt, the power to abuse, the power to change the whole gamut of taxation where government in back rooms will set the rates. We'll have great difficulty supporting it Mr. Speaker.

MR. SPEAKER: Motion stays in the name of the Honourable Member for Gladstone. The Honourable House Leader.

MR. GREEN: Yes, Mr. Speaker, would you call the bill standing in the name of the Honourable Member for Ste. Rose.

BILL NO. 45

MR. SPEAKER: Very well. Third reading Bill No. 45. The Honourable Member for Ste. Rose.

MR. A. R. ADAM (Ste. Rose) presented Bill No. 45, an act to amend an act to repeal an Act to validate and confirm a certain agreement between the Town of Dauphin and the Rural Municipality of Dauphin, for third reading.

BILL 45

MOTION presented.

MR. SPEAKER: The honourable gentleman wish to speak to it ?

MR. ADAM: Yes, I would like to speak on the amendment.

MR. SPEAKER: Very well. The Honourable Member for Ste. Rose.

MR. ADAM: I just wanted to - for the edification of the members, what the intent of the amendment is. As the bill was originally presented, it would have brought the agreement between the Town of Dauphin and the Rural Municipality of Dauphin under the terms of The Municipal Act. With the amendment as it now stands, the bill will be consistent with a situation that would exist if the water installations belonging to the Town of Dauphin were owned by the Manitoba Water Services Board; and therefore the amendment of course doesn't go as far as what the Rural Municipality would have liked to have seen, but at least it will put them on the same footing with other municipalities where water services is provided by the Manitoba Water Services Board and I think that that is what I wanted to advise the members of, so that they'll be aware of what's happening. Thank you.

MOTION carried.

COMMITTEE SUBSTITUTION

MR. SPEAKER: The Honourable Member for Radisson.

MR. SHAFRANSKY: Yes, Mr. Speaker, by leave I wish to make a substitution on Law Amendments, substitute the name of Bostrom for Barrow.

And, Mr. Speaker, while I'm on my feet I would like to remind members that tonight the members of the Legislature are hosting a reception for the members of the Press Gallery, and I would like to remind them, at the LaVerendrye Room in the Fort Garry Hotel. And, Mr. Speaker, on your behalf I also extended the invitation to members of your staff so that they will also be able to be present tonight. Thank you.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker I suggest that we call it 5:30.

MR. SPEAKER: Thank you. The hour of adjournment having arrived the House is now adjourned and stands adjourned until 10:00 a. m. (Wednesday) tomorrow morning.