

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Wednesday, June 12, 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 20 students, Grade XI standing of the West Kildonan Collegiate. These students are under the direction of Mr. Penner. This school is located in the constituency of the Honourable Member of Seven Oaks, the Minister of Health and Social Development.

We also have 22 students, Grades VII, VIII and IX standing of the Acadia Junior High School. These students are under the direction of Mr. Robson and Mr. Symchyck. This school is located in the constituency of the Honourable Member for Fort Garry.

We have 28 students of Grade IX standing of the John Gunn School. These students are under direction of Mr. Lefteruk. This school is located in the constituency of the Honourable Member for Transcona, the Minister of Labour.

And also there are 11 students of Grades VII and VIII standing of the Suncrest School. These students are under direction of Mr. Maendel. This school is located in the constituency of the Honourable Member for Emerson.

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

Presenting Petitions. The Honourable Member for Fort Garry.

PRESENTING PETITIONS

MR. L. R. (BUD) SHERMAN (Fort Garry): Thank you, Mr. Speaker, I beg leave, Sir, to present a petition to the Chamber asking, seeking an amendment to the Act that incorporated the Winnipeg Real Estate Board 70 years ago. I need the leave of the House and the indulgence of members on both sides to make this possible, Sir, because I have to invoke Rule 108 and Rule 112.

The Real Estate Board, if I may explain, Sir, has a limitation on its borrowing powers in its Charter. It is involved now with building a new building and building costs have escalated far beyond its earlier anticipation and it needs to have an amendment to that Charter to permit it to proceed with its building plans. The actual formal petition and formal amendment are being prepared in the Legislative Counsel's office but I wish to advise the House of this measure so as to seek their indulgence and their leave to invoke Rule 112 and therefore waive Rule 108 which prescribes that petitioners for a private Act must advertise in the Gazette and otherwise indicate by formal notice of their intention. You will appreciate, Sir, that the Real Estate Board cannot now comply with that request and I would seek the indulgence of all honourable members in invoking Rule 112 which would permit us to waive Rule 108 in this case and move ahead in the Real Estate Board's request.

MR. SPEAKER: Does the Honourable member have leave? The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, may I indicate that the Honourable Member for Fort Garry consulted with me in my capacity as House Leader, and we went over the rules. What he has stated is correct, and it's really amazing, I must say, that the situation has developed that the Real Estate Board is just now aware of the limitations of a bill that was passed some 70 years ago. I can only speak, of course, --(Interjection)-- well, my colleague, the Minister of Finance says, "Didn't the Real Estate Board know that prices for real estate had gone up?" I guess they should have but not as far as they were concerned within their own Act.

Now, I have had some limited discussions with my colleagues. We - or at least I can only speak for myself - I would recommend to my colleagues that permission be given to the Honourable Member for Fort Garry to proceed as expeditiously as possible and certainly I think that he would agree with me that as we are, hopefully, nearing the termination of the session, that we would not go on for another week because of his bill. So I say, Mr. Speaker, as far as I am concerned, I would recommend to my colleagues, if he can have the concurrence of his colleagues, that leave be granted.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, could I just say that I very much appreciate the efforts

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(MR. SHERMAN cont'd). . . of the Honourable the House Leader, the acting House Leader, the Minister of Labour in this respect, and my own House Leader, the Member for Morris made it possible through their counsel for us to proceed in this manner, I wish to thank them both, and I can assure all members that this matter can be dealt with in the Chamber in a period of 10 or 15 minutes, so that it won't affect the scheduling towards prorogation of the House. Thank you.

MR. SPEAKER: Is it agreed? (Agreed) Thank you.

Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and 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 Official Opposition): Mr. Speaker, I wonder if I can direct my question to the First Minister. I wonder if he can confirm that his Government, either through himself or his Minister of Health, have received literally hundreds and possibly thousands of requests for the Government to proceed with the construction of the addition at the Manitoba Cancer Research for a clinic?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Well, Mr. Speaker, I can give my honourable friend an approximation as to the number of letters and telegrams received by my office, but I have no way of knowing, because there's been no cross referencing yet as to whether some of these duplicate or do not duplicate communications sent to the Minister of Health. Approximately 650 letters and/or telegrams have been received relating to the subject matter.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder if the First Minister can indicate whether the allocations of the Health Resource Fund set up by the Federal Government is really a judgment to be made by the Government, the Provincial Government?

MR. SCHREYER: Well, frankly, Mr. Speaker, I am certainly not in a position on the basis of the information I have on the matter. I'm not in the position to confirm that there is any action on the part of the province that has resulted in a lesser amount being expended for cancer research than has normally been the case.

MR. SPIVAK: Well, the Minister of Health has arrived, and I wonder then, if he can confirm now and I believe at the time this question was first asked he wasn't in a position to do that, can he confirm now that the Manitoba Cancer Research Clinic do have in their possession \$750,000 to match \$750,000 from the Health Resources Fund to be able to complete the addition to the clinic?

MR. SPEAKER: The Honourable Minister of Health.

HON. SAUL A. MILLER (Minister of Health) (Seven Oaks): Yes, Mr. Speaker, I think I indicated it last time that the funds raised locally are certainly available.

MR. SPIVAK: I wonder if the Minister of Health can indicate whether the Government takes the position that this is not a -- takes the position that this is not the priority item for proceeding with respect to the Health Science Centre development?

MR. MILLER: Mr. Speaker, the Government doesn't take the position that it is or it isn't. The Government takes the position that the Health Science Centre has to itself come forward with its priorities through the Health Services Commission. To date this has not been their first priority.

MR. SPIVAK: Yes, I wonder if the Minister of Health can confirm that the Government has authorized over \$200,000 for the Northwest Co-operative Health and Social Service Centre for its operating expenses and for its first year of operation?

MR. MILLER: Only partially correct, Mr. Speaker. The government has authorized expenditures if medical practitioners are available.

MR. SPIVAK: I wonder if the Minister can confirm that the Government is proceeding with this matter independent of the studies now being undertaken with respect to the Health Science Centre and the expansions that are expected there?

MR. MILLER: There's no connection between those two, Mr. Speaker.

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MR. SPIVAK: Mr. Speaker, I wonder if the Minister can confirm exactly how many studies the department have undertaken with respect to the expansion of the Cancer Research facility at the Health Science Centre?

MR. MILLER: Mr. Speaker, the Leader of the Opposition would know of some of them. I know of one which was started in the sixties. I believe it's called the "Hamilton Study" which was made in 1968, I believe. That's the only major study. They, too, did not come out with cancer as a major priority. The only other study if you want to call it that is now finally coming down to the wire on it. We have asked two very highly knowledgeable people in the field, as I indicated earlier, to come into Manitoba and to work with the Health Science people, the various branches in the Health Science Centre to rationalize and prioritize the program both of construction and the services to be rendered in it.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder if the Minister can confirm that the refusal of the Government to permit the Manitoba Cancer Research facility to be built does not relate to the capital cost but relate to the concerns the Government have for maintenance and upkeep over the years?

MR. SPEAKER: The Honourable Minister.

MR. MILLER: Well, Mr. Speaker, certainly the capital costs is always just the small portion of the total ongoing costs. The capital cost usually is exceeded within two years by the ongoing operating costs both in the terms of equipment that's required, in terms of manpower required, in terms of what happens within the facility thereafter.

MR. SPIVAK: I wonder if the Minister can indicate whether he has discussed the matter of treatment in this province with respect to cancer with the officials of the Manitoba Cancer Research facility?

MR. MILLER: No, Mr. Speaker, I haven't discussed it directly with them. I did see minutes of their most recent meeting where they discussed the matter with the representatives of the Health Sciences Centre Board and of course the Cancer Institute, Cancer Research Foundation are members of the Health Sciences Centre Board.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder if the First Minister, if I can ask a question of him, whether he can confirm that he has met with Dr. Israels who is the head of the Manitoba Cancer Research and Treatment Center with respect to the problems of the research centre and the treatment of patients in Manitoba.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: No, Mr. Speaker. I am not aware of any requests for any such meeting although I could check with the office to ascertain whether such request has come in recently.

I might indicate further to what has been indicated by my colleague that we do not feel that we are proceeding any differently than in years gone by with respect to the allocation of moneys, with respect to health research, medical research. There is always a problem of trying to meet the desire and expectation for increased concentration of research effort and, as the Honourable Leader of the Opposition knows, that expectation is there between those who have a particular interest in cancer research, those who have an interest in research into causes of muscular dystrophy and cystic fibrosis, etc.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. My question is for the First Minister also, in the absence of the Minister of Mines and Natural Resources. I would like to ask the First Minister if the Government plans any transportation assistance to those fishermen of Northern Manitoba who now should be out fishing on the northern lakes in Manitoba but who are not at the present time out there, waiting for government guidance in the programs that are going to be put forward by government.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, as the Honourable Member for Birtle-Russell is aware, the Freshwater Fish Marketing Board, which is a federal-interprovincial agency, has had to face the question of extraordinary transportation costs with respect to commercial fisheries in Northern Alberta and in the southern Northwest Territories and with respect to those three fisheries in Northern Manitoba and I believe it is a case of three or four fisheries only that the matter of transportation, abnormal transportation costs, is one which we would

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(MR. SCHREYER cont'd) . . . be better pleased if the Freshwater Fish Marketing Corporation would formally deal with the matter and give us an indication of intent so that we would know whether or not that agency will deal with the matter or clearly will not deal with the matter, in which case we will have to take it under further consideration.

MR. GRAHAM: A supplementary question. Is the province then, not prepared to offer assistance to those fishermen now, and then deal with the Federal Freshwater Fish Marketing Corporation later, or are they waiting for the Federal Government to show the leadership that should be provided by the Province of Manitoba?

MR. SCHREYER: Mr. Speaker, if you'll allow I would say that's a stupid question because leadership - it's not a case of leadership being shown by a province as opposed to the Federal Government. There is a transportation subsidy necessitated or deemed to be necessary in the case of the Hay River and certain Northern Alberta fisheries. That is being provided under the aegis of the Freshwater Fish Marketing Board and not because of the failure because there is no failure - on the part of the Province of Alberta. They are not providing any subsidy on transportation and the same reasoning would seem to apply in the case of Manitoba. But if the honourable member wants to guarantee, if he wants to be absolutely sure that there will be no federal involvement by the federal agency, then the best thing to do is to cause the province to take on that responsibility first and that's a way of guaranteeing that the province will be saddled with that problem thereafter.

MR. GRAHAM: A further supplementary, Mr. Speaker. I would like to ask the First Minister, then, if the province is now prepared to tell the fishermen of Northern Manitoba that they can expect no further help from the Province of Manitoba in this fishing season.

MR. SCHREYER: Well, Mr. Speaker, they will certainly receive the same help from the province as we have extended in the past. That does not mean that we are prepared to take on to provincial shoulders the problem of transportation costs and possible transportation subsidy for the reason that we feel there should be analogous treatment to the foremost northerly fisheries in Manitoba as has been extended by the Freshwater Fish Marketing Corporation to the fisheries in Northern Alberta and in the southern part of the Northwest Territories.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. With the acknowledgement that there have been approximately 650 requests or wires or letters to the Premier and the Minister of Health in connection with the Manitoba Cancer and Research Treatment Clinic, I wonder if the First Minister would be prepared to give an undertaking to meet with the officials of the Manitoba Cancer Treatment Clinic to determine the exact extent and need both for research and for treatment in Manitoba and possibly reconsider, as a result, the priorities that are now in the process of being determined so that this facility may be in a position to move on a little bit quicker than normal.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I'm sure the Honourable Leader of the Opposition would recognize that the most advisable way to proceed would be to proceed to have this meeting but to do so in a way that involves the Minister of Health and the members of the board or representative group of members of the board of the Health Sciences Center. After all a decision of this kind, wrestling with a problem of this kind, must perforce involve the Health Sciences Center as well.

MR. SPIVAK: Well, in view of the answer of the First Minister, I wonder if he would be prepared to give this as an undertaking to meet within a reasonable period of time in connection with this matter now, particularly because of the request that has been made of the Government.

MR. SCHREYER: Mr. Speaker, certainly there would be no wish to resist any request to meet to discuss the problem and accordingly, if the request is forwarded or if it has been already forwarded, when it is received we'll make arrangements to meet but in the appropriate forum with the appropriate persons represented.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question is to the Honourable the Minister of Health and Social Development. I wonder if he can advise the House where cancer stands on the killer list in Manitoba, whether it's the greatest killer or the fourth greatest killer and

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(MR. SHERMAN cont'd). . . whether that position has changed relatively in the last few years.

MR. SPEAKER: Order please. That's a statistical question. Orders for Return.

ORDERS FOR RETURN

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, pursuant to Orders of the House that were filed separately, Orders for Return Nos. 64, 69, 72, 75 and 79, I have several copies of said Returns to Orders for the table.

MR. SPEAKER: Orders of the Day. The Honourable Member for Fort Garry.

ORAL QUESTIONS Cont'd

MR. SHERMAN: I'd like to direct another question to the Honourable Minister of Health and Social Development and ask him whether his department has conducted or is conducting any studies with respect to the relative incidence of cancer and the growth - the increasing incidence or decreasing incidence of the disease.

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, the province doesn't do it per se. I think it's - Statistics Canada I'm sure has this sort of information. It's available through Statistics Canada.

MR. SPEAKER: Orders of the Day. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, is it correct then that the Manitoba Bureau of Statistics is not undertaking that kind of study in Manitoba?

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, it is the policy of this Government not to duplicate any service, statistical service, through the Bureau of Statistics that is already being provided by Statistics Canada. As the Honourable Minister of Health indicated, that information is available and has been made available on an annual basis for many a year, the incidence of disease in Canada by province.

MR. SPEAKER: Orders of the Day. The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the First Minister. Can the First Minister tell us if there's any update or change in the estimate of lake levels on Lake Winnipeg that can be expected to peak this month or next?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, it is correct that lake levels are expected to peak late this month or early next month and they will peak at record levels, record high levels. I have not got an update for the past five days with respect to the actual anticipated level to the nearest inch but I will undertake to get that for tomorrow.

MR. AXWORTHY: Mr. Speaker, a supplementary. Can the Minister inform us whether the discussions now being held by officials of the Water Resources Branch with the municipalities on the west side of Lake Winnipeg considering diking, is that to deal with permanent diking or is it to just deal with the situation to be expected this summer?

MR. SCHREYER: Mr. Speaker, I'm not quite sure how to answer that. Diking - so-called temporary diking - has a life duration of several years to it and unless the diking is deliberately taken down or removed, then even temporary diking will last for perhaps something approaching a decade. We have in the case of the Riverton area dikes in place which were really built on an ad hoc and temporary basis which are still available, they're still there and serving some relevant purpose this summer. There is diking taking place now in and around Dunnotar and south of here and I think they have the nomenclature of temporary dikes but unless a decision is taken later to remove them, they will be there for somewhat more than a temporary basis.

MR. AXWORTHY: Mr. Speaker, in view of the First Minister's answer, can we take this as an indication that the water levels on Lake Winnipeg at the record high levels or at the very high levels will be a more permanent state and that the municipalities and lands adjacent to that lake can be expected to deal with extraordinary or difficult water conditions for years to come as a consequence?

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MR. SCHREYER: Well, on the contrary, Mr. Speaker. The genuine expectation is that the problem of high water levels on Lake Winnipeg will be assuaged for all time to come, that is to say in a relative sense. Because whatever the level in a state of nature would have been as a result of the installation of Lake Winnipeg regulation, the levels can be kept two to 2.2 feet below the high that would occur in a state of nature which is relatively simple to sort of comprehend, because it's the level in the state of nature, it would be 719 feet let us say, which would be very, very high indeed, even higher than this summer, then subtract 2.2 feet and that would be the level at which it could be kept as a result of regulation.

MR. AXWORTHY: Mr. Speaker, I want to file a supplementary. Can the Minister tell us whether the Hydro installations on Grand Rapids and along the Winnipeg River have been, or can be, used to control the flow of water in the Lake in order to provide for some easing of the record lake levels that we can expect.

MR. SCHREYER: Mr. Speaker, unfortunately it's not so. I wish it were otherwise but the forebays behind each of the Hydro Electric power dams on the Winnipeg River and at Grand Rapids are filled to capacity, the ponding is full and in fact, there is necessary spillage taking place at all these points.

MR. SPEAKER: The Honourable Member for Minnedosa.

HON. DAVID BLAKE (Minnedosa): Mr. Speaker, my question's to the Honourable Minister of Agriculture. I wonder if he can inform the House if the AI technicians in Manitoba have now been relicensed and they are operating legally within the province?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I indicated to the member sometime ago that that whole process has been under review and a policy statement is not yet ready to be made.

MR. BLAKE: Could the Minister give us any idea when the policy statement will be made?

MR. USKIW: Mr. Speaker, the member should be aware, and is aware that we have undertaken a very substantive change in the program and therefore, because of the new legislation on the books and the way in which we want to administer the program, it will require a degree of time before we know precisely how we will do just that and the cooperation of the technicians is going to be very important to us.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Labour.

ORDERS OF THE DAY - GOVERNMENT BILLS - NO. 85

MR. PAULLEY: Would you please call Bill No. 85 Mr. Speaker?

MR. SPEAKER: The proposed motion of the Honourable Minister of Mines. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, just before we closed at the morning session, the First Minister . . .

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: . . . permit an interjection. It's my understanding, Mr. Speaker, that the Agricultural Committee desires to convene at the present time to consider the Animal Diseases Act. I thought it would be of interest to members of the House and of the Agricultural Committee that that committee will be meeting almost immediately.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, while I'm not a member of the Agricultural Committee I am a member of the agricultural community and I am vitally interested in the affairs of the Agricultural Committee so perhaps maybe we can defer debate on this . . .

MR. SPEAKER: Order please.

MR. GRAHAM: No, no Mr. Speaker, this is quite all right. I will continue at the present time.

Sir, just before we concluded the morning session, we had the First Minister speaking on the principles involved in Bill 85 and Sir, I am very reluctant to get involved in some of the technicalities of the various sections of the Bill and I would like to deal with the principles more than anything else in this particular contribution to the debate. Sir, I think the Member for St. James, in his presentation to the House, supported by the Member for Riel

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(MR. GRAHAM cont'd) . . . and the Member for Virden, put forward to you and to the Legislative Chamber the opinion of members of this side regarding the technicalities and the misinformation which we on this side of the House consider have been provided to the House by the Minister of Mines and Natural Resources. Sir, I don't want to get involved in that debate but I do want to deal with the principles and in particular, some of the points that were made by the First Minister towards the closing section of his contribution on this debate.

One of the things that struck me very strongly, Sir, was the fact that the First Minister recognized that over the period of the 50's and 60's the price of oil in the Province of Manitoba remained remarkably static. It didn't vary that much, two or three cents, but he said in the last four or five years that the price of oil has climbed - not only in Manitoba or in Canada but on the international market - it has climbed dramatically as people suddenly become conscious of the finite possibilities of fossil fuel reserves. And one of the points that the First Minister made at that time was the fact that while the price has increased dramatically he said that oil will not rot in the ground and he said the value of that 10 years from now may, in fact, be far greater than it is today and we have to be careful of the reserves that we have and protect them for future use and, Sir, I think that that statement by the First Minister really and truly is the intent of all this rigmarole, the highly technical schedules and tax structures that are being put forward to us, and I want to ask the First Minister this, that if he is really intent on that program, Sir, I would ask him, would it really not be far better to forget about a taxing program, to come out and tell the people straight what it is that you want, that you tell them, the oil companies, that you do not want them to produce any more at the present time, that you want to conserve that for the next generation, and you impose quotas and say that we are going to conserve and I think the people of Manitoba, the oil companies, the consumers, would all agree that the First Minister would be making a wise decision. Here at last was a man that was concerned, here was a man, at last, that was concerned not just about today but he was concerned about tomorrow as well. But Sir, I don't believe that to be the case because the program that the First Minister put forward to us is one that does not in any way contribute to that philosophy. The taxation policies that he has brought forward in this Bill, Sir, do not contribute to conservation but what it does do, it says to the oil producing people of Manitoba, that we are going to tax you and we are going to tax you and tax you and tax you and we are going to have the right to review, without coming to the Legislature, that taxation policy until we can effectively close down those wells and save the oil for future generations. I believe, Sir, that in essence that is what the First Minister was really trying to tell the people.

At the same time, I don't believe that the First Minister truly understands some of the basic principles and the operations of the oil industry and Sir, I do not profess myself to know all there is to know about the oil industry or the operations of it but I do know, Sir, that you start from one or two basic premises: that oil has been discovered in Manitoba, that oil does not exist indefinitely, that as the production from any particular field carries on, that the cost of producing more from that field increases dramatically as every barrel is taken out of that field. The first barrel taken out from an oil field is the easiest, Sir, and as you take more, the costs increase dramatically but Sir, the taxation policy, the program that's set forward in this bill, makes no consideration of that - it doesn't take into account the fact that the oil that was produced in 1960 or '64 or '65 is going to be anywhere near the cost of producing the same volume in '74 or '75 and so on and I'm not too sure whether the Minister of Mines has considered this. I think that the Province of Manitoba, in its rush to be the nice guy in a Federal-Provincial Conference and say that we are the appeaser, that we are the rational, logical approach in the oil industry, in that approach has really helped the consumer in Manitoba. I don't believe that the program the Government has brought forward has helped the consumer, I don't think it has helped the producer, because in the approach that the First Minister has taken, Sir, he has always tried to deal with the problem of oil on a common basis, on a common basis. I'll tell you, Sir, that production of oil in Manitoba cannot compare with the production of oil in Ontario or the production of oil in Northwest Territories or in the Arctic or in Alberta, that each oil field has to be considered on its own merit and I doubt if the First Minister has taken that into consideration in the Province of Manitoba.

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(MR. GRAHAM cont'd)

Sir, it isn't as though we had oil under every quarter section in the Province of Manitoba because we know we haven't got it. Sir, the production of oil in Manitoba is at the very maximum, minimal. We have a fringe area in the oil production field and the cost of production in that fringe area is going to far exceed the cost of production in a maximal area and I don't believe that the Province, in their consideration of taxation policy, has really taken that matter into consideration. --(Interjection)-- The First Minister says yes we did. --(Interjection)-- Sir, the First Minister starts quoting figures to me. I listened, Sir, to the proposals put forward by the Member for St. James and the Member for Riel and the Member for Virден, I've read the proposals put forward by the Minister of Mines and Natural Resources and Sir, having checked quickly some of the figures put forward, I do believe sincerely that the Member for St. James has quite honestly pointed out errors in the calculations of the Minister of Mines and Natural Resources. When he raised the issue he sincerely hoped that the First Minister would respond to some of the questions he posed when the First Minister answered but, Sir, when the First Minister, in his contribution to this debate, chose to ignore the contributions of the Member for St. James, I would say, Sir, that that only substantiates the guilt of government in admitting that their figures are in error.

Sir, it is not my intention nor is it the intention of the Member for St. James or other members on this side, to carefully score Brownie points because we can prove the Government to be wrong in their figures. The real intent of members on this side of the House - and I would sincerely hope that the real intent of members on the other side of the House - is the same, and that is to make sure that calculations are correct, that people truly know what the intent of government is, that they honestly know . . . --(Interjection)-- Certainly.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, since the Honourable Member for Birtle-Russell is concentrating on figures just at this moment, could I ask him if he is aware, if he agrees with the one basic figure that in a period of three years the proceeds to the producers net after taxes, after these adjustments, will be in the order of 70 percent increase over three years?

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Sir, and I want the First Minister to know, is he aware that as the supplies of oil diminish that the costs of producing an equivalent amount of oil can triple and quadruple. --(Interjection)-- Yes.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Is the member aware that in the schedule that is being proposed, as the volume of pumping decreases and the output therefore per day decreases, the amount of tax take is also decreased so that the net available to the producer is compensated?

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: And is the First Minister also aware, Sir, that the volume of pumping need not decrease if increased production costs are put forward, that the volume can be maintained but the cost increases dramatically. --(Interjection)-- I didn't say that. Sir, what I am saying and what I say again is that if the government is intent in conserving oil for future generations in the Province of Manitoba I, as an individual member, will not complain and I would say this, Sir, that the majority of the people of Manitoba would not complain. But, Sir, if that is the intent of government then they need not bring forward a taxation bill, all they have to do is put quota restrictions on. But see, Sir, we find government is never really straightforward. They say that if we can achieve the same degree of success, if we can eliminate increased production, if we can effectively store it up - and we can do that by taxing companies out of existence - if we can do it by taking every available nickel and dime that we can out of somebody else's pocket, we will do so. But, Sir, we found one thing, and I think it was pointed out by the Member for St. James, that the amount of revenue that is accruing to the Province of Manitoba, in the amount of benefits that are going to be accruing to the people of Manitoba in the form or reduced price on gasoline, leaves a little margin - and I think the Member for St. James said there was something like \$3 million missing - and is talking about a total of \$12 million accruing to the province and \$8 million or so going out. But there is a difference. So it looks, Sir, to me as though the province is going to say to the people of Manitoba that we will give you two cents back and we're going to put one cent in our pockets, that for every two cents that goes to the consumer in Manitoba there's one cent

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(MR. GRAHAM cont'd). . . is going to go into the government coffers and we're going to give you a two to one ratio and that is a pretty fair return, Sir.

At the same time, we just heard the Minister in charge of automobile insurance the other day stand up and say that two to one is not good enough; he says, "We will give you 85 percent. For every dollar invested the consumer is going to get 85 cents return." But here we find, Sir, that the consumer is only going to get 66 2/3 percent and I admit, Sir, that my figures could vary one or two percentage points. But roughly speaking, roughly speaking those figures are pretty close, Sir. For every two cents that the consumer is going to get there's going to be one cent go into the government's coffers. And, Sir, I say that's not good enough.

If the intent of the First Minister is to pass on to the consumer any reduced costs that are possible under the new program, then I would say 100 percent is the very minimal amount that should be passed on to the consumer and if the Minister had gone over a hundred percent he would have been less liable to criticism. Saskatchewan did that, Sir, but the presentation that was put forward to this Chamber just before lunch by the First Minister did not answer the questions that were asked by this side of the House; in fact they posed more questions; questions that the people of Manitoba are going to want answers to. Because it looks, Sir, right today, that somebody is being short-changed. It's either the consumer in Manitoba or the oil producers in the Province of Manitoba. Either the oil producers are being over-taxed to the point where they can no longer exist to carry on production and thereby has the province effectively accomplished, what the real intent is or else the consumer in Manitoba, who could conceivably get three cents reduction, is only going to get two. And, Sir, I say that's not good enough, not good enough for me and it's not good enough for the people of Manitoba.

QUESTION put, MOTION carried.

BILL NO. 95

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: I wonder, Mr. Speaker, whether you would kindly call Bill No. 95.

MR. SPEAKER: The proposed motion of the Honourable First Minister. The Honourable First Minister.

MR. SCHREYER presented Bill No. 95, an Act to amend The Legislative Assembly Act for second reading.

MOTION presented.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the provisions of Bill 95 are provisions which have been prepared as a result of some informal discussions between both sides of the House. I have not personally been involved in these discussions but the contents reflect what I believe to be, and which I concur with other honourable members to be, a reasonable adjustment with respect to certain emoluments and expense allowances and expenses of the conduct of office of honourable members of this Assembly.

The Province of Manitoba has, from time to time with respect to its Legislative Assembly, seen fit to make adjustments. These have been, over the many long years always, more or less in line with those of sister jurisdictions of approximately the same population, of approximately the same per capita income across the country. In more recent years and in the past year and a half or so, the effects of inflation have certainly affected honourable members in exactly the same way as others who make up the economy and society of our country and our province. In some jurisdictions, such as the federal and some of the larger provinces, there have been in more recent years, '69, '70, '71 and so on, major adjustments made so that the emolument, expense allowances that relate to federal members of the House of Commons and the Senate, members of the provincial parliaments of Ontario, Quebec, British Columbia and Alberta have been adjusted in more recent years. What is proposed here, I am satisfied, and I believe all honourable members would be satisfied, reflects a bringing into line more or less of the level of indemnity and allowable expenses. What is novel in the bill is that we are asking honourable members to consider and to approve a clause which will provide for the irrational known understood standing formula for adjustment of indemnity and allowances from time to time in accordance with increased costs of living

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(MR. SCHREYER cont'd). . . and related expense costs.

Now over the years we have had if not here, in other jurisdictions, royal commissions, special standing committees, special committees of persons external or outside of the Legislature engage in study and making recommendations back to members of the Assembly. And I believe we went through that exercise here in Manitoba in 1970. Some of the recommendations that were brought back, they were interesting but some of them, while some lent themselves to implementations, others were deemed to be not desirable to proceed with. The Province of Ontario, they, too, have had a rather impressive array of personalities assigned the task of looking at the Legislative Assembly Act in its entirety and the matter of the level of indemnities and expense allowances. Some of the recommendations, in my opinion, have also proved to be interesting but not particularly practical for implementation. We, for example, received a suggestion - nothing new about it - that the level of MLAs indemnities and allowable expenses somehow be put on a formula, standing formula basis, relating to judges or puisne judges of the Superior Courts. There are some apparently rational arguments in support of that kind of approach; there are some, however, good reasons why that is not particularly the most desirable approach.

Also it has been suggested on a number of occasions from time to time that perhaps the matter of level of indemnities and expenses be related by formula to that which those adjustments that take place in the public service - and I believe that was given very serious consideration in one of the sister provinces, I believe Ontario - that, too, has certain inherent weakness or undesirability inherent in it, in that it puts legislators in the position of, you know, less than completely arm's length position from negotiated increase that take place between the Executive Council on behalf of the province and the bargaining unit or association on behalf of the public service. So in the final analysis, we saw fit to propose here, we fully regard it as being valid and tenable, a proposal that the composite industrial wage index, which is an impartial and factoring that is conducted or carried out by the Bureau of Statistics to be used as the base and the other statistical index, which is equally detached and impartial, that of the annual change in the CPI or Consumer Price Index, to be used as the two factors in determining the extent to which, if any, there will be in any year, an adjustment to the basic emolument and allowable expense relating to members of the Assembly. If this is agreed to, then it removes from arbitrariness and from controversy the question always reoccurring as to what level the indemnity and the allowance should be. Inevitably there is some argument as to whether it should be 300 or 600 dollars higher or lower and this sort of argumentation is never-ending. And it's not particularly rational nor is it particularly edifying. So while this is novel, I feel, this provision, I feel that it is entirely tenable and it is recommended here in the bill.

There are some adjustments as well in Bill 95 with respect to the use of telephone privileges and travel costs and allowances. I have two amendments, I believe, to propose at committee stage with respect to the per mileage allowance to all members that have a mileage or a distance to cover between their electoral division and the City of Winnipeg to this building and also some clarification to offer with respect to the use of air service and with respect to the available use of commercial air carriers where it is a less cost alternative.

In addition to that, there is some clarification as well in this bill with respect to the computing of pension allowance and eligibility to contribute towards the pension fund, etc.

Also clarification and extension or expansion for honourable members of the use of telephone privileges so as to give members more access to any part of Manitoba so that they may more effectively, and at no personal cost to them - and why should it - carry out their function as legislators be they in the Government or the Opposition side. Improved and increased access to communication is really so obviously necessary that it hardly merits further mention on my part.

Then, too, there is some adjustment that is proportional and in line with respect to the per diem allowances that are paid to honourable members who must live away from their ordinary place of residence or domicile during the session and also with respect to inter-sessional committee meetings and expenses relating thereto. These adjustments are all proportionalized so as to bear the same relationship one to the other.

I might add as well that there is provision in here to enable standing committees that meet inter-sessionally to more logically and expeditiously deal with the problem of filling

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(MR. SCHREYER cont'd). . . vacancies on committees that occur from time to time inter-sessionally. I know that one can argue that this could be perhaps dealt with under the rules and that is possible. It can also be dealt with under the Legislative Assembly Act and it is my distinct impression that there is no incompatibility here as to what we are attempting to do with respect to filling vacancies or providing for resignation from committees inter-sessionally. There is no incompatibility here as to what we are attempting to do with respect to filling vacancies or providing for resignation from committees inter-sessionally. There is no incompatibility between that and what we may seek to do under the rules.

All in all the subject matter of this bill, in summary, is to bring about the required adjustments that are needed because of the passage of a few years in which no adjustments have been made and also to bring into line with levels obtaining in a number of other jurisdictions in Canada and other provinces. And honourable members, I think, can feel themselves completely justified in causing this particular course of action, of adjustment to take place. (Applause)

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I thank the First Minister for his presentation and at the outset would indicate, or reiterate the statement that he made that adjustments have not been made in the last few years, and that any group in the Legislature, any government, I think, in dealing with this matter deals with a subject that is considered delicate by some, but nevertheless is a matter that must be dealt with in the normal course of events.

Mr. Speaker, the 57 members who make up this Legislature basically are responsible for the overseeing of a quarter of the provincial economy, 25 percent of the provincial economy is covered by the votes and the proceedings that take place in this legislature. And there is a responsibility on the part of those who assume that responsibility to devote and dispend their time and energy in carrying out that for which they've been elected.

Each year, Mr. Speaker, we have seen substantial increases in the authority obtained by Government and in Government involvement in our life. Albeit there is a basic difference in philosophy between the members opposite and ourselves as to the degree and as to the question of emphasis and that debate will continue on and on and on. But having said that, Mr. Speaker, it should not be, it should not be left to be unsaid that we have a responsibility, as legislators in this province and as legislatures in other provinces and the House of Commons, in dealing with a multitude of Government activities that at this time and in this stage in history now become a full-time operation. And it would be wrong, Mr. Speaker, for some to believe that this is a part-time occupation. It is not.

I daresay, Mr. Speaker, in talking to my colleagues over the period of time in between sessions, I find that in many respects my colleagues are busier in between sessions than they are during the session. Now, I think there may be a few smiles --(Interjection)-- smiles on the opposite side. But in reality, Mr. Speaker, when they are in session they are here in the Legislature and they are tending to the work that has to be done. When they are in their constituencies they are dealing with the problems of their constituencies vis-a-vis any phase of governmental activity or in those areas in which Government concern or Government regulation has undertaken or is required. And the result is, Mr. Speaker, that it is a daily concern for them. The Federal Government, in this year or this past year, recognized the need for additional support for constituency work by the Members of Parliament as another vehicle to allow the member in the Federal seat to be able to deal with the multitude of problems that come his way and to be in a position to be able to service his people in their relationship with government. And this is developing albeit in a way which is less but nevertheless is developing in the same way within this province.

I think, Mr. Speaker, that the Government in this respect who have to take the responsibility have taken a responsibility and have provided a rational approach, and I say that very directly. But I'm going to say something which the First Minister is not in a position to say for himself, and I am going to say it, Mr. Speaker, and there will be suspicion on some that I am saying this because this is something that I would like to attain for myself. I stand here as the Leader of the Opposition and as a person who would contest for the office that the First Minister holds. And I would say, Mr. Speaker, in sincerity that it would be my hope that I would be in a position to attain that position --(Interjection)-- well, I know that I can compete against the Minister or the Attorney-General. But in any case, in any case,

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(MR. SPIVAK cont'd). . . Mr. Speaker, having said that and having recognized that in the light that I have said it and the way in which I've said it, I think the point has to be made that in the indemnity and calculations that have been presented into this House, the recognition that it should be given to the First Minister's position is not so. And I think it makes it very difficult, Mr. Speaker, for the First Minister to stand up and say that, and I think it may very well appear on my part as if I am suggesting something that I would be seeking for myself. But, Mr. Speaker, I think - and I can put it another way if the Honourable Minister of Labour -- the question that would have to be asked is whether the First Minister is really, in the salary range that's being offered, really only worth the difference of \$1,000 between the Minister of Labour or the Minister of Consumer Affairs or others. Now, I say that facetiously but I then come back to the reality.

The First Minister's position warrants the recognition that it should be given. And, Mr. Speaker, (Applause) and I have no hesitation in saying that and I have no hesitation in indicating, Mr. Speaker, that in my opinion this is the one change that I think, in addition to the other two changes, that should be made and I recognize that the First Minister is not in a position to ask for this or even to concern himself with this for very obvious reasons. But I think if we are going to talk about a rational approach, and I think we are, then I think that that should be considered and that is a matter that possibly we should discuss further.

The other matter then comes to the question of the Leader of the Opposition's office. --(Interjection)-- Well I can't propose an amendment. It's a Government Bill. --(Interjection)-- But it has to come from the treasury branch, but I would commend them to that, and I would commend them to that and recognize, as well, the peculiar position that the First Minister is in in this matter, but I suggest that it is something that should be seriously considered; and I think on this side is something that we recognize is a differentiation that should reflect on the responsibility and the position and the expense that's attached to that position, because I am not unmindful of the fact that there is a great deal of expense that is not understood by the public, that is attached to that position.

Now, if I may, for just a few moments, I'd like to talk on the Leader of our Opposition's position. I do so, Mr. Speaker, recognizing that there has been a discussion between the First Minister and myself that the matter will not be discussed in this Act, but I believe will be referred to the Board of Internal Commissioners -- to the Board of Internal Economy Commissioners -- and that has to do with the operation of the Leader of the Opposition's office and I guess in one sense it would also have to do with the Leader of the Liberal Party's office or the Leader of the Third Party. And I have pointed out in discussions and these -- I'm sorry . . .

A MEMBER: In proportion.

MR. SPIVAK: . . . in proportion --(Interjection)-- Well, you know, Mr. Speaker, I think -- I'm not sure of the first fight but I think the second fight I remember, yes, I think I was a Member of the Treasury Branch at that time -- and I think that there was consideration that was given at the time, but I also remember, Mr. Speaker, and recognize that, having sat on that side and having sat on this side, that if we're going to deal we should be dealing in the reality of what is happening with respect to the involvement of the 57 people in the total governmental process. The fact is, Mr. Speaker, that I've indicated a quarter of the economy is covered one way or the other in this Legislature, and is answerable one way or the other in this Legislature; and the votes that take place here are important in directing what occurs with Government having the responsibility for the overall direction and of Government having the responsibility for the overall presentation.

But, Mr. Speaker, what has happened is that the role of the opposition and the role of the MLAs is changed as additional responsibility has had to be assumed by them as the work load has in fact increased and so has the office of the Leader of the Opposition.

And I would hope that there'd be consideration given for providing for that office the additional research and secretarial service so that it can function in a way which would be commensurate with the increase that is taking place. This is not meant, Mr. Speaker, as a plea on my behalf. In many respects I'm probably more fortunate than maybe some in handling their responsibilities. But I would suggest, Mr. Speaker, that the office, as I indicated the office of the Premier, the office warrants additional changes which will provide

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(MR. SPIVAK cont'd). . . for the -- which will provide the capability of being able to carry out the responsibility that is assumed. In many respects the office of the Leader of the Opposition as well as the office of the Leader of the Liberal Party or the Leader of the Third Party is comparable to the Minister but the supporting services are not the same. And I would hope that that would be considered and I've had the opportunity in discussing that with the Premier and would hope that that would be referred and there would be favourable consideration to it.

So, Mr. Speaker, we accept that this is a Treasury Bill in which the Government makes its presentation, in which we have really no right to amend; in which we have to give our approval one way or the other on it. We recognize that in the approach of the indexing there is an attempt to try and solve a problem that every legislature has had to deal with and every Government has had to deal with over the years. We recognize the increased costs that are borne by those who are successful and sit in this Legislature. We recognize the increased constituency demands and constituency costs that are borne, and would suggest that with respect to what has been provided it realistically is a moderate approach, by no means it is more than a moderate approach, to deal with the problems in our contemporary society and we accept it at that. But the indexing does provide, in many respects, a rational approach to the proposal.

And so I will close, Mr. Speaker, with the recommendation that I have indicated to the Treasury Branch that they should be persuaded to recognize the position of that of the First Minister so that it will at least mean trying in the legislation, in a way that will not reflect just this situation in terms of this Government and this Opposition, but will reflect truly what should be the position vis-a-vis the man who is given the main responsibility of conducting and running the Government and which amounts to the most important and significant business enterprise in this province. One has to realize, Mr. Speaker, that if we were to look at the universities, if we were to look at the Crown corporations, if we were to look at the whole host of Government undertakings, including some whom I believe would be considered in the Deputy Minister category, considering other revenues that are realized by them, that in effect they are supported, or they receive an actual remuneration which is greater than that of the First Minister, yet the First Minister has the total responsibility.

Now, the truth is that he's not there for as long a period of time no matter how one looks at it, and in today's politics it's a very short period of time; and I hope that will follow true in the case of the present First Minister. But having said that, Mr. Speaker, I also recognize, and I think we should recognize, the position, the responsibility and the recognition that should be given. (Applause)

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I do wish to just make a couple of brief comments on Bill 95. I would agree with the First Minister when he indicated in his remarks that what he's introducing in the bill is in line with some of the other provinces and I would concur with that because I had an opportunity to check with some of the other legislation and I would state that it is in line with some of the provinces that are the same population as ours and have the same population.

But I would like to state that some of the other provinces as well, Mr. Speaker, do make other facilities and services to some of their members that we do not here and I'm sure that the First Minister's aware. I know that in fact in one of the provinces, in British Columbia one of the parties only has, I believe three members, and I understand there is a full time research person provided for that three members for the party on an all-year-round basis. So I'm sure that the First Minister is aware of that. I'm not pleading for that case. I'm just stating that some of the other provinces do make other provisions and facilities such as more assistants to the constituencies and members in the constituencies as well where there is some communication. But the point that has been made I do believe and agree that there is considerable demand from the constituents now of their members and if I may just mention in my own case I'm sure that you will find at least 300 letters that I replied to or sent to, that people either write to me or phone me and request certain things and this is a considerable amount, Mr. Speaker, for somebody that you haven't got facilities or a secretary. So there is greater demand than we had at one time. But the point that I do wish to make at this time and that's the point that has been brought out by the Leader of

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(MR. PATRICK cont'd) . . . . the Official Opposition in respect to the difference in the indemnity and expense account between the Cabinet Ministers and the First Minister.

I do agree that there should be an increase in that respect and there should be a difference because certainly the First Minister has a much more onerous job than just the Cabinet Ministers themselves. And in this respect I completely support the Leader of the Official Opposition and say there should be some consideration given in that respect and I hope that there can be some consideration given; because at the present time there is almost no consideration given for the "head" man or the "coach" of the team and I certainly feel that there should be, because his responsibilities are onerous and much more difficult and much more full-time and more time consuming.

So I do agree and I hope something can be done in that respect. (Applause)

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I just want to say a few words on this bill. I don't rise to oppose the bill as such. But I do think there is a matter of principle involved in the bill that is a fairly major one and it certainly has two sides to the story. That's the matter of indexing or the escalator clause that is contained in the bill with regards to what happens in the future to MLA indemnities.

Well, Mr. Speaker, I've thought about it a great deal and it's always concerned me that people who are on pensions always end up suffering because they're always at the mercy of somebody else's decision and we all know people that are in that particular category.--(Interjection)--Mr. Speaker, people generally who are on pensions and historically have been caught in the very difficult position that they have no bargaining power and they have no way in active life of bringing about any changes, and therefore they're caught in the position of being not able to keep up with the increase in the cost of living and are certainly people who should be considered for escalator clauses or an indexing system to make sure that they don't get caught out particularly, as we have now, with rampaging inflation.

But the people who are in a bargaining position, Mr. Speaker, and are in active life - and I would include MLAs in that group - I think are in quite a different position, and it concerns me somewhat to see the MLA salary actually tied in to some sort of an indexing system. I feel that the strongest point of it all is that, as mentioned by the Leader of the Opposition, the 57 members of the Legislature are in some way responsible for about 25 percent of the province's economy by the votes that take place in this House either on capital borrowing or on regular budget and to a certain extent, Mr. Speaker, they have a very strong influence on what happens to the economy. Now I don't think in national terms the influence is overly great but I think that MLAs are always subject to the unrealistic accusation that they could have an influence on the well-being of the economy of the province and on the inflation rate.

So theoretical as it is, Mr. Speaker, the MLAs can be open to the charge of having some influence on the rate of inflation and therefore the industrial index and therefore their own salaries. Realistically it's remote but nevertheless it's always open to the accusation. I think, Mr. Speaker, as long as we are - as long as we're in the position, like other people who are to some extent in a bargaining position, to determine what our income should be from time to time, that we should not, as legislators, tie ourselves in to an escalator clause. I realize there's two sides to this argument; that just happens to be my side of it and I've tested it out the odd place and I believe it's a good debating point. I'm convinced that to not have it in is probably as a matter of principle to serve the best interests of the position of a member of the Legislature.

So, Mr. Speaker, apart from those comments - and I know that the Government is proposing some changes to the clauses regarding air transportation to certain constituencies - with those two exceptions, Mr. Speaker, I support the bill but at the Committee stage I would like to again see the escalator clause conditions discussed at more length and perhaps a vote taken on it.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, I would like just to make a few comments on the proposal that is now before us, if for no other reason than I would hate to disappoint the press who have given so much publicity to this measure and I'd like to insure that they get their money's worth. But the bill before us was introduced by the First Minister as one that stemmed as a result of discussions between all members of the House. I think it should be made clear that when the House Leader of the Government approached me on this

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(MR. JORGENSON cont'd) . . . . matter I made it very clear that we would be prepared to enter discussions as to some consensus as to what kind of a measure would be introduced but there would be no question that the bill introduced would be a government measure and would stand and fall - not that there is any likelihood of the thing falling - but that the Government would stand or fall on the basis of that measure. I think that understanding should be very clear on the part of all members.

Now, Sir, I was going to deal with the question of indexing but that has been dealt with by the Member for Riel. It is of some concern to me as well because I am not too sure that periodically when this measure - a measure such as this is brought before the House and it has been brought before the House on previous occasions, and I think twice Premier Roblin introduced amendments to The Legislative Assembly Act increasing indemnities to members and, if I recall correctly, I think that the opposition members in those days voted against the measure on both occasions although they went ahead and collected the indemnity.

I say, Sir, that to base the increments or the increases in indemnities on the same basis as one would a person working in industry or drawing a pension I think is a bit of an unfair comparison. In my view, this Legislature is - I made this point during the discussion on Bill No. 7 - the Legislature is different. Government operations are different from private industry or from any other occupation. Who indeed, Sir, would work from - as I do and I'm sure that all members are here at 8:00 or 8:30 in the morning - but from around 8:30 in the morning till 11:00, 12:00 o'clock at night and I have no objections to it, I enjoy the place and I think that's what makes it different. It seems to me that from time to time, we as well as the people of this province, should be reminded of how inflation is affecting our lives and how rapidly it is escalating and how necessary it is to pay attention to the direction that we're heading and the ultimate consequences of the rapid rate of inflation. There is no other way of doing it - and I know that when we discuss members' salaries at least we get a lot of press on that - the public are aware then of the rate of increase of inflation if there is no other way that we can make them aware of it.

A MEMBER: One of those few occasions where that happens, Warner.

MR. JORGENSON: Sir, it seems to me that a discussion of this kind, the publicity that is attendant upon members taking it upon themselves to increase their own salaries, is not all that bad. I don't mind subjecting - being subjected to the criticism and I must say that I don't get that much criticism. I think most people are aware that even members of the Legislature have to buy groceries and if this is going to be an all-time occupation or a full-time occupation - and I regret very much that it is, I don't think that it need be or should be, I think it could and should be otherwise - but this appears to be the direction that we are heading and unless the people themselves are prepared to support those who are opposed - and I'm preaching for a call here - who are opposed to the present trends, then I suppose the present trends will continue. But it seems to me that having to review this measure from time to time or this bill from time to time insofar as it applies to indemnities, is not such an onerous task that we can't do it rather than having it indexed so that it becomes automatic. There's something about making this thing automatic that concerns me and I hope that we can have more discussion and consideration when we get into Committee.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I will be very brief. Like the Premier I didn't enter into the discussions as to what the provisions of Bill 95 should be. Rather deliberately, too, I may say, Mr. Speaker, because I have had some involvement over the past. But I'd like to make one or two comments.

I believe the Honourable Member for Morris indicated that while we were in opposition, or the opposition as such rejected or at least voted against, in his words, the proposition of the then Premier, Premier Roblin. I think it would be more correct to say that some members in opposition voted against. I don't think that there was any on any of the propositions, the two --(Interjection)--Yes, the three members and my colleague the Premier indicates three members - I recall one - who indicated that any increase that he was to receive would go to charity. I presume charity gained as a result of that particular increase in indemnity or allowance. And it could conceivably be, Mr. Speaker, that some honourable members will use the taxation income tax benefits by donating to charity in order to cut down their income tax assessment to both Ottawa and to Manitoba. I know at least one who has that in mind at the present time but

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(MR. PAULLEY cont'd) . . . . that's beside the point. I just wanted to clarify for the benefit of the House the - what I understood to be the statement of the Honourable Member for Morris. I don't recall that I ever voted against the proposal of the then Premier of Manitoba, the Honourable Duff Roblin.

The other point that I want to refer to, Mr. Speaker, I appreciate very much what the honourable members opposite have said in respect of the allowance or salary or whatever you want to call it apart from the indemnity to my colleague, the Premier. I think that they are correct. This is the only area of involvement that I have attempted to use any influence that I may have and that is to try and convince my colleague on my right hand that he is entitled, because of his involvement in the work that he does, is certainly entitled to receive more than a difference of \$1,000 between the Minister of Labour and the Leader of the Opposition, in his office. (Applause)

Now I don't know, Mr. Speaker, I don't know whether or not between now and the time when we consider this bill, which will of course be in Committee of the Whole House, that in between now and that particular time, whether I can get my honourable friend, the First Minister, to remove the threat of annihilation if I were to introduce an amendment to do justice to my friend. Now the Leader of the Opposition might think it's all right, the annihilation might be okay but in this particular instance he may even suggest that I should not be annihilated and I'm not sure whether or not I'm going to be able to convince my friend, I'm not sure whether I'm going to be able to convince my friend, the First Minister, to remove that threat, but as a member of the treasury bench I think that I can propose that resolution which might be adopted by the House. So I want to warn my honourable friend who is so deservant of a wider differentiation in indemnity that I might even do it, threat or no threat, because he certainly deserves it.

Now with those few remarks, Mr. Speaker, I would suggest that members be prepared possibly for the calling of the Committee of the Whole, say, tomorrow morning, to further consider this bill.

QUESTION put, MOTION carried.

BILL NO. 91

MR. PAULLEY presented Bill No. 91, an Act to amend The Civil Service Superannuation, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Somebody said explain and somebody said question. Which would you like? Explain. Okay.

This bill, Mr. Speaker, has three main provisions. They are: (1) a new provision to allow an employee or pensioner, who had service that had not been counted for pension purposes, to have that service counted and this would apply by the employee and Government each making a payment to the Superannuation Fund and as honourable members will be aware it's on an equal basis between the employee and the employer, the Government. The type of service an employee or pensioner may apply to have counted is continuous full time service that immediately preceded the date established in the records of the superannuation fund as the beginning of his pensionable service. The reason this type of service has not already been included in pensionable service is that over the years since the fund began on May 1st, 1939, there have been various requirements under the Superannuation Act and the Civil Service Act which prevented certain types of employment, for instance a non-permanent employment, from being classified as pensionable employment. Today if an employee is in continuing full-time employment he may contribute to the superannuation fund regardless of whether he is deemed to be on the permanent staff. This suggestion, amendment to the Act, will allow an employee who was precluded from being in the Superannuation Act prior to obtain that provision.

For those pensioners who will qualify the resulting pension increase will take effect from the date that the provision takes effect. For those employees who qualify it will take effect from their retirement. Some have already been retired and of course there will have to be make-up of the funds between the two. An employee or pensioner may apply for all or part of his prior service and he will make a payment to the fund to take care of half of it. The Government will take care of the other half by making payment to the fund. Employees who

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(MR. PAULLEY cont'd) . . . . work for other employees in the fund, that is the Telephone System, the Hydro, also come under this amendment and those employers will also be making payment to the fund for each employee and pensioner who applies and makes a pension.

And then, Mr. Speaker, if you recall about a year ago, I introduced a measure for portability of pensions in the public sector with the Government of Canada and in other provinces. We found, however, that there was a deficiency in our bill that was not acceptable to the federal authority in particular. Last year's bill amending the superannuation provided for this type of portability. This bill cancels the requirement that an employee must have five years' service to have this provision apply to him or her. And that is where - the reason why we haven't at the present time been able to enter into a full agreement or in an agreement with the federal authority. The result is, by this amendment, the Government of Manitoba may now enter into a reciprocal agreement with any employer in the Canadian public sector to not allow an employee, regardless of his length of service, to take his pensionable service with him to his new employer position, if he goes to or from the employ of the Government of Manitoba after July 1, 1973. In other words, that was the effective date of the last year's Bill. This amendment also provides that where the transfer is between a Manitoba employer in the Superannuation Fund and other Manitoba employers, periods of service may be combined to help an employee qualify for a benefit for which there is a qualifying period of service and the pension from our Fund can be based on the best 7 years earning of the final 12 years of combined service. That was a provision in the changed Act and then there is an amendment to the present provision that an employee who resigns may, if he has the required service, leave his contributions in the fund and receive a pension later. This amendment provides that when an employee who resigned elects to begin receiving his pension, his pension will be increased by an amount equal to any percentage increase in the Canadian Consumer price index since his resignation. That was a matter we were just discussing in respect of Bill 95.

In addition to the above important provisions there are several housekeeping sections. One section is to permit retroactive salary to be counted as pensionable salary in calculating a pension which, since July 1, 1973, may be paid to a spouse, or eligible survivor who is entitled to a pension; to provide that the requirements of a seasonal employee may enter the superannuation fund when he completes 1600 hours or 200 days of employment in each of two successive calendar years - that shall apply to a seasonal employee who completes that period of employment on or after December 31, 1972. Then there are others tidying up provisions to provide that a secretary-treasurer of a watershed district, the employees of a housing authority established, may come under the Superannuation Act and that that district or housing authority will be included in the employers that have to make a contribution to the Fund and, of course, similarly the employees could do likewise. And there's another section to provide that interest shall be credited to the deferred pension account of a re-employed pensioner who has applied to have payments of his pension deferred until his employment ends and then there's one or two tidying up errors of a typographical nature. So I recommend the Bill to the Committee. We'll have the general manager of the Superannuation Fund there if there's any detailed questions members would like to ask.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: I move, seconded by the Member from Brandon West that the debate be adjourned.

MOTION presented and carried.

BILL NO. 68

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Would you call Bill No. 68, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Emerson.

MR. STEVE DEREWIANCHUK (Emerson) presented Bill No. 68, an Act to amend The Law Society Act No. 2 for second reading.

MOTION presented.

MR. PAULLEY: . . . . explain?

MOTION declared carried.

MR. PAULLEY: Mr. Speaker, a copy of a letter that was addressed, I believe, Sir, to you from the Lieutenant-Governor, which states that "I have been informed of a proposed

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(MR. PAULLEY cont'd) . . . . amendment, a copy of which is attached hereto to Bill 68, an Act to amend the Law Society Act (2) which would authorize the Minister of Finance to pay from the Consolidated Fund from moneys received by way of interest on trust accounts of lawyers, sums for educational programs of the Law Society and for costs incurred by the Law Society of Manitoba. I recommend the proposed amendment to the House. "

MR. SPEAKER: Thank you. Bill No. 68 has been adopted. The Honourable House Leader.

MR. PAULLEY: Mr. Speaker would you call Bill No. 56.

MR. CRAIK: Mr. Speaker, I rise on a matter of privilege . . .

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I rise on a matter of house privilege to ask the House Leader if, why Bill No. 63 would not be called for at least second reading? I don't believe it falls into the categories of the two bills preceding that which have already received debate in the House. I felt that having called 68 that 63 would at least be called.

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: Mr. Speaker, I don't know if it is a point of privilege. It is the prerogative of the Government to call bills in any order that they wish and it was my wish to call Bill No. 68.

MR. SPEAKER: Bill No. 56. The Honourable Member for Wellington.

MR. PHILIP M. PETURSSON (Wellington) presented Bill No. 56 an Act to Incorporate United Health Services for second reading.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: Bill No. 24, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Point Douglas.

REV. DONALD MALINOWSKI (Point Douglas) presented Bill No. 24, The Mount Carmel Clinic Act for second reading.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: Bill No. 94.

MR. SPEAKER: Bill No. 94. The Honourable Member for Minnedosa.

MR. BLAKE presented Bill No. 94, an Act to Amend an Act Respecting the Agricultural and Community District of Newdale for second reading.

MOTION presented and carried.

MR. PAULLEY: Bill No. 92, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education) (Burrows) presented Bill No. 92 an Act to amend the Teachers' Pension Act for second reading.

MOTION presented.

BILL NO. 92

MR. SPEAKER: The Honourable Minister.

MR. HANUSCHAK: Mr. Speaker, this Bill further develops and expands the principle of reciprocity in pensions which was first introduced in 1971 and expanded in 1973. The original amendments to the Teachers' Pension Act made it possible for Manitoba to enter into agreements with Teachers' Pension authorities in other provinces in Canada. Any such agreements were to be subject to the approval of Cabinet. Some weeks ago, as a result of negotiations, Cabinet approved agreements between Manitoba and Quebec, Ontario, Saskatchewan, Alberta and British Columbia for reciprocal pension rights for teachers. This is a step which has long been advocated by the teachers, the Government agreed and the result speaks for itself.

The Pensions' Task Force concluded, however, that the principle of reciprocity should not be restricted to teachers only. The clear-cut distinctions between professions are becoming increasingly blurred. The roles of speech and hearing therapists, clinicians, school social workers, to name a few, are becoming increasingly important in the total school program. Also the benefits of mobility are being recognized as being of great value to the private and public sector alike. There is need for greater mobility between the two. Until now people, especially as they build up years of service, have tended to be reluctant to move. They have

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(MR. HANUSCHAK cont'd) . . . . felt that they were locked in by the provisions of their particular pension plans, even though many plans now have a vesting clause to protect equity, the potential decrease in final benefits has acted as a deterrent. Then, too, a benefit received from vesting is based on a salary which may have been adequate in terms of the cost of living at the time but is totally inadequate in terms of the cost of living at the time of retirement.

It is to correct the above situation that these amendments have been drafted. Briefly, they make it possible for teachers to move within a much wider range of positions, with no loss of benefits. This is to be possible as the result of authorizing the Teachers' Retirement Fund Board to enter into agreements with one or other of a group known as Reciprocating Manitoba Employers to provide continuing benefits upon terms and conditions which are mutually agreeable and approved by Cabinet. The agreements will spell out the terms on which a person with service as a teacher may obtain credit for all or part of that service as a period of membership in or service credit under the plan or fund of the reciprocating employer or on which a person may obtain similar credit in the Teachers' Pension Plan.

The importance of this is that a person who moves from one position to another receives the benefit of having all his service in one or more pension plans count toward establishing the final benefit which he will receive. Since this inevitably means an increased benefit, it works to the advantage of the person involved. Equally important is the provision that a cost of living factor shall be applied to the calculation of a pension benefit received under this provision. This means that the benefit based on contributions made some years earlier will be increased by a percentage based on changes in the Consumer Price Index between the time the person last had served as a teacher and the time of retirement.

These are the major provisions of the bill. There are also some amendments which are designed to correct discrepancies which crept into last year's definition of the basis for cost of living increases and to remove a section of the Act which is redundant. Mr. Speaker, I'm sure that if there is any further more detailed explanation that honourable members would wish to have that that could be provided in Committee with the staff there to offer any technical explanation that members may require.

MR. DEPUTY SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I wonder if the Minister would accept a question. I wonder, in view of the time element involved, would he make available his speaking notes to members on this side?

MR. DEPUTY SPEAKER: The Minister of Education.

MR. HANUSCHAK: Yes, if they can be reproduced in time I'd be happy to oblige.

MR. DEPUTY SPEAKER: The Honourable Member for Brandon West.

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

MOTION presented and carried.

RESOLUTION - PENSION PLAN STANDARDS

MR. DEPUTY SPEAKER: The Honourable Acting House Leader.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Education, the following resolution;

RESOLVED THAT the Standing Committee of the House on Statutory Orders and Regulations undertake a study of and report to the House with recommendations respecting standards with which employee group, or employer sponsored, pension and superannuation plans should comply and methods by which such standards may be achieved or by which plans can be brought to comply with such standards.

MOTION presented.

MR. DEPUTY SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I would just like to explain: honourable members will recall mention was made in the Throne Speech that a measure would be introduced or a white paper introduced or what have you, dealing with the possibility of establishing standards for pension plans within the Province of Manitoba and also the possibility of recommendations for transferability or portability of pension plans.

In attempting to arrive at legislation of a precise nature it was deemed that rather than

## RESOLUTION - PENSION PLAN STANDARDS

(MR. PAULLEY cont'd) . . . . do that in the busy period of a session, that the subject matter would be referred to the Standing Committee on Statutory Rules and Regulations and it would be my intention to have the preliminary draft bill or a white paper, call it what you will, available for the consideration of the Committee and also that by this methodology it would give ample notice - at least in my opinion - ample notice to those concerned, employers, employees, those actuaries in the pension field, an opportunity to make adequate presentation to the Committee before a final bill is drafted. And that's the purpose, Mr. Speaker, of the resolution and I hope that honourable members would not reject the approach I am trying to make. I realize that there are some who would have liked to have had a precise bill before us at this session but as I say, Mr. Speaker, on reflection and making an assessment we felt, rightly or wrongly, that this was the better way of handling the matter.

MR. DEPUTY SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I just have a few moments - would spend a few moments on this resolution and indicate the general support for what the Minister of Labour has suggested. Mr. Speaker, I must indicate that it is the Committee called the Standing Committee of the House on Statutory Orders and Regulations and, Mr. Speaker, one of its terms of reference and one of the matters that should be discussed in addition to this, is the problem of regulations in which there is a presentation of Legislative Counsel dealing with the regulatory or the regulations of the past few years and indicating to the Legislature and to the Committee at least those regulations that may not be consistent with the Acts that have been passed. I must indicate, Mr. Speaker, that in the rush of the last, in the rush of the last two legislative sessions and in the workload that has been undertaken by the Legislative Counsel and in the undertakings of the members in this House, I think that we have neglected the function that must be performed and one which is important in the long run and particularly with the general increase in Government's activity and increase in government activity through regulation. I would ask the Minister of Labour to see to it that this is included so that there is a full report brought up by the Legislative Counsel dealing with all the regulations and we are in a position to follow through in this committee as it was planned in addition to the other proposals that he's brought forward.

MR. DEPUTY SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I just want to be very brief and to say to the Minister I agree with his course of action. I'm sure he recollects I had a resolution on the Order Paper to the effect of portability of pensions and while it was mentioned in the Throne Speech, we were unable to debate it but his course of action is agreeable. I believe the need for that type of legislation is necessary. It's past due and I think it's the government responsibility in the chancing of times with much higher life expectancy at the present time which requires some form of pensions for many people in our society and I believe that the course of action that he's taking is a good one and what the end result will be is perhaps the proper legislation, good legislation, so I agree with his proposition.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable Acting House Leader.

MR. PAULLEY: Mr. Speaker, I would now indicate that the House will adjourn and the Committee on Law Amendments will meet in about 10 minutes. So therefore, Mr. Speaker, I move, seconded by the Honourable the Attorney-General that the House do now adjourn and stands adjourned until 10:00 o'clock tomorrow morning.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable . . .

MR. PAULLEY: Mr. Speaker, just before you leave the Chair may I remind honourable members I just indicated that the Committee on Law Amendments will convene in about 10 minutes and that there will also be the Committee on Law Amendments tonight at 8:00 o'clock to hear representations on bills that have now been given second reading and I suggest possible priority to bills for which there haven't been representations made.

MR. DEPUTY SPEAKER: The House is now adjourned and will stand adjourned until 10:00 a. m. tomorrow morning. (Thursday)