



First Session — Thirty-First Legislature  
of the  
**Legislative Assembly of Manitoba**  
**DEBATES**  
and  
**PROCEEDINGS**

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# THE LEGISLATIVE ASSEMBLY of MANITOBA

Wednesday, December 7, 1977

**TIME: 2:30 p.m.**

**OPENING PRAYER** by Mr. Speaker.

**MR. SPEAKER, Honourable Harry E. Graham(Birtle-Russell):** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills.

## ORAL QUESTIONS

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

**MR. EDWARD SCHREYER(Rossmere):** Mr. Speaker, I am not quite sure in the absence of the First Minister and the Minister of Finance perhaps I could direct it to the Deputy Premier and ask, with respect to statements in the press that the government is in fact considering some level of winter works special job creation programming, since there was some contrary impression left with the House earlier, I should like to ask if this can be confirmed and the approximate level of such special job creation funding.

**MR. SPEAKER:** The Honourable Minister of Consumer Affairs. HON. EDWARD MCGILL(Brandon West): Mr. Speaker, I am not able to add anything to the reports that have already been made by the First Minister or those reports which the Leader of the Opposition may have seen in the press. The matter of special works and winter works programs will continue to be under review by the present administration but I do not have any additional policy in that respect to give to the Leader of the Opposition at this time.

**MR. SCHREYER:** Mr. Speaker, my question flows from a statement made by the Minister of Finance and now that he's in his seat, I could direct the question to him. With respect to the report which is rather contrary to the impression left with the House here, the report being that there would in fact be some level of capital funding for winter special job creation activity, can the Minister of Finance confirm that that is in fact the intention contrary to the impression of last week.

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. DONALD W. CRAIK(Riel):** Mr. Speaker, first of all I'm not sure which report the First Minister is referring to. Perhaps he would be good enough to send it to me. Hours being such as they've been, we've been in Cabinet since 12:30 and I haven't had a chance to read today's newspaper. But with regard to the general question, I believe the Minister of Municipal Affairs commented in reply to a question this morning in relation to further job creation programs, we haven't finalized all the moves that may be made by the provincial government in this relation. What our main goal has been on the remaining funds that may be allocated is to try and narrow it down to relieve the most severe problems that are occurring but we're not trying to give an undertaking to the House, to the opposition or to the people of Manitoba that we're going to be able to relieve the basic unemployment situation in Manitoba. We are still attempting to deal with the most severe cases and to that end will still be coming forward with announcements in that regard. forward with announcements in that regard.

**MR. SCHREYER:** Well, Mr. Speaker, I am not suggesting that the Honourable Minister's reply is inconsistent, I am merely asking so as to give him an opportunity to clarify that with respect to the report in the local papers as of this morning's date which would appear to be definitive, namely that there would in fact be a special job creation winter work program initiated for this winter — I am asking the Minister merely to indicate if that is a premature report or whether, in fact, he has definitively so indicated.

**MR. CRAIK:** Mr. Speaker, again, not having seen the report, I don't think the report is saying anything different than what has been said here, but I would appreciate it if I could have a chance to have a look at the article referred to.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. SIDNEY GREEN:** Mr. Speaker, I rise firstly on a matter of privilege relative to an incorrect quotation in the newspaper. I am referred to in the Winnipeg Free Press as having insisted that the Flyer debt . . .

**MR. SPEAKER:** Order please. May I point out to the Member that what is reported in the paper is of no consequence to this House.

**MR. GREEN:** Mr. Speaker, I believe that Honourable Members have been permitted to indicate where they have been incorrectly quoted in the newspaper.

**MR. WARNER JORGENSEN, Government House Leader!(Morris):** 8 I think, Mr. Speaker, that maybe you did not hear the honourable member state that he was rising on a question of privilege.

**MR. SPEAKER:** I will let the honourable member proceed.

**MR. GREEN:** Mr. Speaker, I am not intending to take up a great deal of time.

Mr. Speaker, I was reported as insisting that the Flyer debt is \$16 million. I made no such statement, I said the Flyer accumulated losses are \$16 million as distinct from \$40 million in losses reported by both newspapers. The investment in Flyer is in the neighbourhood of \$30 million. I regret that the newspapers are unable to distinguish between loss and debt, but I never said the debt is \$16 million, I said the accumulated losses are \$16 million. The amount that the government has invested is roughly \$30 million. The newspapers had previously said that the accumulated losses are \$40 million, both newspapers said that, as against \$16 million, and I felt that they were slandering the Conservative government by so saying, and wanted to bring it to their attention.

And now I have a question, Mr. Speaker, for the Honourable the Minister of Labour. Could the Minister of Labour investigate the accuracy of the suggestion that her bill to induce overtime hours, to give an incentive for working overtime, has resulted in a greater layoff than would have been necessary at Flyer Industries Limited if they had reduced overtime and kept more employees.

**MR. SPEAKER:** Orders of the Day. The Honourable Member for Elmwood.

**MR. RUSSELL DOERN:** Mr. Speaker, I wanted to direct a question to the Minister of Industry and Commerce. Has there been any improvement in the financial picture of Morden Fine Foods in the last couple of months?

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

**HON. ROBERT (Bob) BANMAN(La Verendrye):** Mr. Speaker, I would have to check with the Board of Directors.

**MR. DOERN:** Mr. Speaker, when the answer comes forth, I wonder whether the Minister could also comment on whether or not it is the intention of his government to sell Morden Fine Foods.

**MR. BANMAN:** Mr. Speaker, I anticipate to follow the same procedure the previous minister did, and that is to table the annual reports of the different companies at the Economic Development meeting hearings.

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

**MR. LLOYD AXWORTHY:** Mr. Speaker, I have a question for the Minister without Portfolio responsible for reorganization. Can he indicate whether the proposed transfers of staff, career civil servants, from the Planning Secretariate to other departments is in any way conditional upon those departments having appropriate staff man years to absorb them?

**MR. SPEAKER:** The Honourable Minister in charge of the Task Force.

**HON. SIDNEY SPIVAK, (River Heights):** Mr. Speaker, they're conditional with respect to the ability of the departments to be able to handle the estimates that will be finally determined and the moneys that will be available for staff-man-years.

**MR. AXWORTHY:** A supplementary, Mr. Speaker. Can the minister give assurances to this House that in those instances where the career civil servants being transferred are of a secretarial or administrative nature, the departments to which they are being transferred would be requested to provide for appropriate staff-man-years in order to accommodate those people who are already in the civil service establishment?

**MR. SPIVAK:** Mr. Speaker, I think the government's intention has already been indicated. The review of the estimates is taking place, decisions will have to be made with respect to determining the ability of the government to continue on in a certain way. Once that has been determined, there will be an effort to try and place everyone. It may not be the case though, Mr. Speaker, and it may also be the case.

**MR. AXWORTHY:** Mr. Speaker, do I take from the minister's answer then, that he is not prepared to give any guarantee that career civil servants with long tenure in the government of Manitoba who have been transferred from those organizations which are being phased out, such as the Planning Secretariat, will not be given any job security whatsoever at this stage in time?

**MR. SPIVAK:** The only phase of government that has been dis-established is the Planning Secretariat and I think the government's position is known. I think that the estimate process will be continuing and there will be an attempt to try and evaluate and do what is required, but that will be a determination that will be made on the basis of what is available.

**MR. SPEAKER:** The Honourable Member for Brandon East.

**MR. LEONARD S. EVANS:** Yes, Mr. Speaker, I would like to direct a question to the Minister of Finance. Inasmuch as the minister has indicated that tax cuts are the main thrust to job creation by this government, can the Minister of Finance advise the House whether he has, or his department has provided any estimates of the jobs that are to be created from the income tax and other tax cuts recently announced by the government — is there any estimate prepared for us?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, the the member's question is an easy one to put and not an easy one to answer. In other words, Mr. Speaker, the answer could easily be there are no good answers to bad questions. I suspect that the move taken by the federal government to reduce the income taxes and concentrate it into the months of January and February, followed by the cuts that will be felt in Manitoba on the first of March — I would doubt that either the federal government or the provincial government would want to guess at the actual numbers of jobs that will be created by that move. I assume, Mr. Speaker, that the statements that have been made to me by the people who have experience in this field are correct, that the economic models that we work with in the democratic system don't allow predictions on that basis that should be stated in terms of numbers. I think perhaps a better answer to the question is the same argument that was used by John F. Kennedy in 1962, when he did exactly almost the same move in the United States, saw the economy turn itself around and the real effects built and were felt at a peak that took almost eighteen months to peak out. I trust that it won't take that long. I trust that the effects are felt directly and are felt in January, February, March — that remains to be seen.

**MR. EVANS:** A supplementary question then, Mr. Speaker. The Honourable Minister of Finance is then telling the House that there is no even general estimate available for members of the House with regard — (Interjection) — I'm asking the question, I'm asking a question of clarification. Is the Minister of Finance telling the House that there is really no way he can predict the number of jobs that may be created from the tax cut programs of the government?

**MR. CRAIK:** Mr. Speaker, there is no way that an exact number or close to an exact number can be placed on the number of jobs created by the program but there is no exact way either, Mr. Speaker, that the number of permanent jobs created by the four month program of assistance to small business indicated in any way the number of jobs that were created by that program either except for a very short period and then were inaccurate.

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

**MR. SCHREYER:** Mr. Speaker, I am aware of the rule, Sir, that questions must relate to the direct jurisdictional responsibility of this Chamber but, Sir, my question flows from the answer given by the Minister of Finance and therefore presumably it is in order. I should like to ask the Minister of Finance, when he made reference to the impact of tax cuts at the time of the Kennedy administration as having such a dramatic buoyant effect on the U.S. economy, did he also wish to convey the fact that it was accompanied by the sharpest surge of increase in government spending in peacetime?

**MR. SPEAKER:** Orders of the Day. The Honourable Member for Selkirk.

**MR. HOWARD PAWLEY:** Mr. Speaker, my question is directed towards the Honourable the Attorney-General. In view of statements reported today to the effect that the president of the Manitoba Government Employees' Association has accused employees of the Manitoba Liquor Control Commission of stealing funds, is it his intention to assist any aggrieved employee that may desire the assistance of his department in launching suits or actions for defamation against the president of the MGEA or the MGEA itself?

**MR. SPEAKER:** The Honourable Attorney-General.

**HON. GERALD W. J. MERCIER (Osborne):** Mr. Speaker, Sir, I don't think it has ever been a practice of government to assist any employee of the government in a private defamation suit but I intend, Sir, to discuss this matter with the chairman of the Liquor Control Commission and we will make whatever announcements are suitable.

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

**MR. SCHREYER:** Mr. Speaker, to the Attorney-General, not in conflict with his reply but merely to ask the Attorney-General if, quite apart from any assistance in a private suit . . . Can the Attorney-General indicate whether systematic action is being taken or prepared to ascertain the truth or falseness of the allegations and I stress, Sir, the word allegations.

**MR. MERCIER:** Sir, it would seem to me that one could very reasonably determine from the records of the Liquor Control Commission whether or not there have been any abnormal increases in cash shortages or abnormal use of sick benefits and I think on that basis we could come to a conclusion about the allegation.

**MR. SPEAKER:** The Honourable Member for Rupertsland.

**MR. HARVEY BOSTROM:** Mr. Speaker, I would like to direct my question to the Honourable Minister of Northern Affairs responsible for Renewable Resources. In view of the fact that in northeastern Manitoba farmers, in particular, have suffered severe crop failures due to the wet weather conditions this fall and the fact that there are severe unemployment problems in that area generally, will the minister give consideration to awarding increased pulpwood and timber quotas to farmers and others who are applying for these in order to improve the economic position of the people in that area?

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

**HONOURABLE KEN MacMASTER (Thompson):** Mr. Speaker, did you say that there has been applications made?

**MR. BOSTROM:** Yes.

**MR. MacMASTER:** I haven't been made aware of them, but I'll certainly look at them when they come through, if you're sure that there has been.

**MR. SPEAKER:** The Honourable Member for St. Johns.

**MR. SAUL M. CHERNIACK:** Thank you, Mr. Speaker. I'd like to address a question to the Minister responsible for staff reductions, who stated that . . . —(Interjection)— Mr. Speaker, I don't know who talked about sarcasm, but if the Minister would personally respond and tell us his responsibility being other than staff reduction, I would be glad to ask the question if I weren't interrupted by the Honourable the Minister without Portfolio — one of them anyway. The Minister to whom I'm referring said that there would be an effort made . . .

**MR. SPEAKER:** Order please. Order please. Questions are supposed to be concise, should not be statements, and they should be direct. The Honourable Member for St. Johns.

**MR. CHERNIACK:** Mr. Speaker, I want to refer to the statement made by the Minister just earlier, that there would be an effort made to try and place every one of the staff who has been moved, and I'm asking . . . My question is, whether he accepts the moral responsibility of any decent employer, when discharging an employee, to either give cause or to indicate a promise to try and place that person if there is no cause, or at least to make some kind of recommendation. Does he accept that responsibility on behalf of the government?

**MR. SPEAKER:** The Honourable Minister in charge of the Task Force.

**MR. SPIVAK:** Mr. Speaker, to the Honourable Member for St. Johns. I accept the responsibility I think that all my colleagues do, that there is a necessity to try and bring government under some kind of degree of control. In the course of doing it, there will be a reorganization and a reform. In the course of doing that there will be some disruption and we are going to try and do our best with respect to that disruption. I think the announcements have been made in the past, and they will continue to be made, that it will be our direction to try and live within our means, which means that in the course of that there will in fact be some disruptive effects on those whose efforts and work will not be continued within government. Of those who have been transferred, there will be a review by the line departments and within the estimate process in the determination of the moneys available, there will be an attempt to try and make decisions with respect to them. But no one at this point can give any guarantees about anything until we are in a position to try and bring the government under control from the mess that the honourable member left when he was Minister of Finance.

**MR. SPEAKER:** Order please. Perhaps at this time it may be for the benefit of all members if I quoted to them Section 171 from Beauchesne Rules of Parliamentary Debate. I have so far allowed a great degree of latitude in the asking of questions, but for the information of all members, perhaps I should read Section 171. It states as follows: "In putting a question, a member must confine himself to

the narrowest limits. In making a question, observations which might lead to debate cannot be regarded as coming within the proper limits of a question. The purpose of a question is to obtain information, and not to supply it to the House. A question, oral or written, must not (a) be ironical, rhetorical, offensive, or contain epithets, innuendo, satire or ridicule; (b) it must not be trivial, vague, or meaningless; (c) must not multiply with slight variations a similar question on the same point."

I've just quoted three, there are numerous other ones in here if anyone wants to quote them and read them, I would be glad to give them that opportunity. The Honourable Member for St. Johns.

**MR. CHERNIACK:** Before I deal with my subsequent question, may I, on the point of order, draw to your attention the last statement made by the Minister responding to me, saying something to the effect of the "mess you left when you were Minister of Finance" and point out to you that that is hardly in accord with what I've just heard you state, Mr. Speaker.

I would like to ask a question of the Honourable Minister, whom I invited earlier to describe himself so that he can be referred to properly. In the light of what the Minister said, will he accept the responsibility that any decent employer accepts, of ensuring that people who were fired because of disruption, and for no cause other than that, are given an opportunity for re-employment at the earliest opportunity.

**MR. SPEAKER:** The Honourable Minister.

**MR. SPIVAK:** Mr. Speaker, we will live up to the obligations with respect to the Civil Service Act.

**MR. CHERNIACK:** Mr. Speaker, may I then direct a question to the Honourable the Minister. Does he not then accept any other responsibility that a decent employer normally accepts, other than that which is in legislation?

**MR. SPIVAK:** Mr. Speaker, there is an assumption that the Act is not a decent Act, or that the terms under that Act are to be interpreted in such a way that the actions of those who would work under the Act would not be decent. Implied in the honourable member's questions are answers that can only be given in the way in which they've been given before, both in the public declarations on the part of this government. There is going to be an attempt to reform the government. There's going to be an attempt to reorganize. I wonder why the honourable member is pounding his desk when he should have been doing it when he was on this side of the House.

**MR. SPEAKER:** Order please. Order please. In giving an answer, the Minister should be concise and to the point, and should not, himself, ask questions. The Honourable Member for St. Vital.

**MR. D. JAMES WALDING:** Thank you, Mr. Speaker. My question is to the Honourable Minister of Finance, and it refers to a commitment that he gave to the House twelve days ago that he would make available to this House a certain document within one day. Does he intend to honour that commitment?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, I trust the member is referring to an Order for Return that's some 18 months old and I'm attempting to bring it in within an accuracy of one percent roughly within that total period, so when I say a day, it's a day within 18 months and I expect if I get it before him in the next few days, I would be doing very well.

**MR. WALDING:** Thank you, Mr. Speaker, a supplementary question. I believe it was yesterday or the day before that this same Minister also gave a commitment to the House to make that document available during second reading of Bill No. 3. I ask him, does he still intend to honour that commitment?

**MR. CRAIK:** Mr. Speaker, the Order for Return should have been tabled by the former government. Perhaps it would do just as well if I simply gave the member a copy of it and it's all there and he'll have it available to him.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. GREEN:** Mr. Speaker, I have a question to the Attorney-General which was supplementary to some of the other questions asked. He indicated that he would be looking into the suggestion of deficiencies of funds, and I would ask the Honourable Minister whether any deficiencies will then be attributed to employees because of the slanderous, libelous remarks of the President of the Government Employees Association. Will it be assumed that loyal civil servants have stolen this money, because this is what the MGEA President has said?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, I think the honourable member recognizes that the obvious answer to that question is no.

**MR. GREEN:** Mr. Speaker, I am pleased that the employees should know that Mr. Speaker, another question to the Attorney-General, relative to the remarks made the other day by the Member for Roblin. Was the counsel, namely Dale Gibson, an internationally known constitutional lawyer, who has successfully participated in the Forest case at every stage in the proceedings and who never complained about being overburdened with work and . . .

**MR. SPEAKER:** Order please, order please. I rule that question out of order. Orders of the Day. Have you a point of order because I have asked previously that it be concise.

**MR. GREEN:** Well, I'm being concise, Mr. Speaker, and using as few words as possible. I asked the honourable member whether he was let go in spite of all these attributes because he happens to carry a New Democratic Party membership card as indicated by the Member for Roblin.

**MR. SPEAKER:** Orders of the Day. The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, Sir, as I indicated yesterday Mr. Gibson was not dismissed. A new case arose and a new lawyer, internationally known was hired.

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

**MR. AXWORTHY:** Mr. Speaker, I would like to come back to the Minister responsible for the task force and reorganization which I believe is his proper title. Again, in the answer he gave to the Member for St. Johns, he discriminated between employees who are to be dismissed and those who are to be transferred. I would like to ask him about the question of support staff, administrative, clerical, secretarial staff, who are being transferred subject to a condition that their employment will be terminated as of March 31st. Can he confirm that in fact that condition has been applied to those full time permanent members of the civil service who are support staff or secretarial staff?

**MR. SPEAKER:** The Honourable Minister.

**MR. SPIVAK:** Mr. Speaker, after the disestablishment of the Planning Secretariat, there were two groups of employees that had been transferred to departments at the request of the departments. Those with specific job functions, they have been transferred with the job functions. Those functions will be reviewed, Mr. Speaker, by the department and a decision made as to whether there will be a continuation or not within the line department for the estimate decisions that will have to be made for next year including the amounts of money that will be available in the department for the continuation of their programs.

In some cases there were transfers without the job functions. Those transfers are on the same basis that there will be both an evaluation and a program review and a determination whether they can fit in within the department and an ability to be able to carry on. There is an attrition that takes place within the civil service and in some cases I believe there is no question the job specifications in terms of the administrative area will be able to be met. In some cases it may not but performance will be also an important factor and consistent with our attempt to try and have the line departments assume the responsibility and the functions rather than a planning secretariat or a central organization, this attempt is now being undertaken. No one can give any guarantee until the review is completed and until we know for sure the exact amount of money that is going to be available in the estimates of the departments for next year.

**MR. SPEAKER:** Order please. The Honourable Member for Fort Rouge with a supplementary question.

**MR. AXWORTHY:** Mr. Speaker, I thank you and the First Minister for permission to go ahead. I would simply like to know from the minister responsible for reorganization, if in fact he indicated that under the process of attrition whether those permanent members of the civil service who are in the administrative or clerical areas, would be given first option in any jobs that appear through an attrition process in any of the departments and thereby be given that guarantee.

**MR. SPIVAK:** Mr. Speaker, the decisions will be made by the line departments when the moneys that are available are known with respect to the estimates of next year and when there is a determination by them of the performance and responsibilities of those who in fact have been transferred upon request of the departments to the various departmental activities.

**MR. SPEAKER:** The Honourable First Minister. Has he an answer to a question that has been asked previously?

**hon. STERLING R. LYON (Charleswood):** Mr. Speaker, I was asked a question this morning by the Honourable the Member for The Pas as to whether or not we had any statistics with respect to manufacturing capacity utilization rates in Manitoba. The advice that I have received, Mr. Speaker, is that we do not have comparable statistics to those prepared for Canada by Statistics Canada. An estimate has been made that the physical capacity in Manitoba, based on extrapolations from Manitoba figures and using StatsCanada figures, the estimated capacity utilization rate would be approximately 81.8 percent, and I stress again that that is in the same general ballpark as the figures used by the honourable member this morning.

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

**MR. SCHREYER:** Mr. Speaker, could the First Minister indicate whether that level, which he has just indicated as being an approximation, would be in anyway undue or disproportionate to the same phenomenon relative to Canada as a whole, because this is a problem which is really facing all parts of the country.

**MR. LYON:** Mr. Speaker, the only additional information that I am informed of, and these are the Statistics Canada estimates, was that in October of 1977, the manufacturing employment in Manitoba was some 12,000 below the 1975 average of 66,000.

**MR. SPEAKER:** The Honourable Member for Selkirk.

**MR. PAWLEY:** Mr. Speaker, further to my question of last week pertaining to the Laycraft Inquiry and the reports of yesterday's hearings pertaining to evidence by a former RCMP Staff Sergeant in connection with lists of judges and other civic officials who, according to him, were on a payola list, can the honourable member advise the House whether or not he is monitoring those proceedings in Edmonton of the Laycraft Inquiry to ascertain whether there are any revelations that affect the Manitoba system of administration and justice?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, Sir, I intend to monitor those proceedings, although I understand in the past they have not been monitored.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. GREEN:** I'd like to direct a question to the Minister Without Portfolio in charge of the task force. Can the minister advise us what government efficiency review recommended the establishment of the Planning Priorities Committee, the cost of that review, and who the Planning Priorities Committee's first chairman was?

**MR. SPEAKER:** The honourable minister.

**MR. SPIVAK:** I think that's a matter of public record but if the honourable member wants to, he can file an Order for Return.

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. PARASIUK:** Thank you, Mr. Speaker. My question is directed to the Minister responsible for the Civil Service. Can she confirm that the longstanding government practice of providing first access to jobs within the civil service to those whose positions are declared . . .

**MR. SPEAKER:** Order please. Order please. I want to inform the member that that question has already been asked today. The Honourable Member for Lac du Bonnet.

**MR. USKIW:** Mr. Speaker, I would like to ask the Minister in charge of the Government Program Evaluations or whatever is the title that he bears, how many staff he has taken on along with his responsibilities to date and how large a staff he anticipates before his job is complete.

**MR. SPEAKER:** The honourable minister.

**MR. SPIVAK:** Mr. Speaker, I guess the questions are being asked by different members in different ways; we'll try to convey the information. I dealt with, I think, the questions this morning with respect to the review teams, and I think that you're asking now directly on staff for the task force. — (Interjection)— New staff? Mr. Speaker, I would say that in terms of new staff, the appointment would be only one and he would be the secretary of the task force.

**MR. USKIW:** Mr. Speaker, a supplementary question: Does the minister intend to add additional staff members to facilitate the review?

**MR. SPEAKER:** The honourable minister.

**MR. SPIVAK:** Mr. Speaker, a number of people within the civil service will be participating with the review teams and providing information at the same time they're carrying on their line functions. There's no intention of hiring new staff and I think I indicated, because there was some reference by the Member for Inkster and I think I heard that, that insofar as consultants are concerned, many of them have offered their services without cost. At this time there is no intention of hiring the consultants. If that occurs, that would in fact be a determination to be made at the time by the task force. But generally speaking, there's only been one additional perxn who has been hired and the increase in staff has only been by one.

**MR. SPEAKER:** The Honourable Leader of the Opposition. I want to remind him that there is one minute left.

**MR. SCHREYER:** Well I shall be brief, Mr. Speaker. To avoid any Order for Return, could I simply ask the minister reporting for the task force to simply confirm or deny the point that the establishment of Planning Priorities Committee and Management Committee was made in the first place as a purported reform approximately nine years ago when my honourable friend was a Minister of the Crown.

**MR. SPEAKER:** The honourable minister.

**MR. SPIVAK:** Mr. Speaker, the establishment was in fact made as the Leader of the Opposition has suggested. The manner in which it functioned in the last eight years was the responsibility of the members on the opposite side and that is why there has been a need for a disestablishment of the Planning Secretariat.

**MR. SCHREYER:** Would the honourable minister grant at least this: that the so-called reforms that take place from time to time in government organization are practically as old as civil government themselves, and that movements to move from line departments to a co-ordinating central committee, and then perhaps a decade later back again, has taken place here, has taken place for sure in the province of Ontario and for all I know and for all he knows, in many places. Will he confirm that this is commonplace from time to time.

#### BILL NO. 6 — THE EMPLOYMENT STANDARDS ACT (OVERTIME RATE)

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Labour, Bill No. 6, an Act to Amend to Employment Standards Act, the Honourable Member for Brandon East has twenty-six minutes.

**MR. EVANS:** Well, Mr. Speaker, I'm not sure how much time I have left, but at any rate, just prior to the lunch hour break I indicated the main reasons why the previous government, the previous Minister of Labour had brought in this legislation to provide for one and three-quarter overtime for workers in Manitoba, that it might somehow possibly help to alleviate employment conditions or unemployment conditions; it could have beneficial effects with regard to the family and it might also help to reduce accident rates.

I'd like to proceed by referring to some remarks made by the Honourable the Minister of Health the other day in his participation in this particular debate on time and three-quarters, when the Minister of Health inferred that the previous government, the NDP government, was a government that believed in state intervention in labour-relation matters. I want to make it quite clear that the opposite is the case, that we do believe and I do believe that the best approach in labour relations is the *laissez-faire* approach — the less government involvement the better — and I think that has been the traditional stand of the New Democratic Party and certainly was the approach of the New Democratic government. The Minister of Health also inferred in that remark that in the Griffin Steel case nevertheless something should have been done. So I'm suggesting, Mr. Speaker, that while the Honourable Minister of Health says that we are the ones who are interested in state intervention, I ask him — and we tried to get it clarified the other day — how he could then take the position that the government should have done "something" in the Griffin Steel case. The inference was, not only inference but the allegation was, or the assertion was, by the Minister of Health, that the government should have done something. I think he also suggested that there should have been some removal of the protagonists from either side, and of course, Mr. Speaker, we did not interfere, but the Minister of Health suggested that there should be — (Interjection) — Well, that's the very point. While the Minister of Health is berating us, for taking what he claims a state interventionist approach, the opposite is the case. He turns around and says his government and his belief is that there be no intervention and yet in the same breath he suggests that the government should have removed the protagonists in the Griffin Steel case. I suggest therefore, Mr. Speaker, that it's the Minister of Health who believes in

state intervention in labour relations matters, because when he says: "Remove the protagonists," he is suggesting that there should be state intervention. — (Interjection)— Mr. Speaker, I haven't got the member's remarks from Hansard, I haven't seen them yet

Well at any rate, Mr. Speaker, there is a very fundamental question of principle here, and that was the principle of to what degree, if any, should government be involved in labour relations. And the honourable minister was suggesting that we were in favour of state intervention and they were against, and I say the reverse is true. It's an absolute myth that the Conservatives in this province, or indeed any province in Canada, are against state intervention. In fact, the reverse is true. I believe, if the evidence is examined, that the Conservative governments in this country and the past Conservative government of this province has had a record of state intervention in labour relation matters, and I look at the appalling situation in Alberta — I do not have the details — but within the past year or so I believe there has been legislation passed preventing civil servants from striking. As a matter of fact, you can go to jail if you even attempt to, in any preliminary way, as I understand it, to organize for some type of action which may then lead to some withdrawal of services. I say if that isn't intervention in labour relations, I don't know what is — the Conservative government of Alberta making it a crime for civil servants in that province to go on strike.

Another example, I think, is the situation that existed before 1969 when you could get an *ex parte* injunction to remove picket lines from in front of a factory or place of work. Workers who, for one reason or other decided to picket, could be removed by a court injunction — an *ex parte* injunction. And that possibility relates to the labour relations legislation that existed at that time. I might like to remind the honourable members, Mr. Speaker, particularly the Minister of Health, that it was the New Democratic government that amended the Queen's Bench Act, which said that it was a fundamental right of people in Manitoba to be able, as a matter of freedom of expression, to be able to walk in front of any factory, of any place of work, indeed anywhere, with a sign indicating their point of view. I would say then, Mr. Speaker, in passing this amendment to the Queen's Bench Act, which incidentally was voted against, as my colleague the Member for Inkster reminded everyone the other day, this measure was voted against by the Conservative opposition of the day. The Conservatives opposed the amendment to the Queen's Bench Act, which gave freedom — freedom — to the workers of Manitoba — freedom to picket without the danger of being removed by an *ex parte* injunction. So I say it's a myth, Mr. Speaker. The Minister of Health says we believe in state intervention, and I say it's a myth, it's the Conservatives that believe in state intervention.

Our records show that we have given more freedom to the workers by amending the Queen's Bench Act, and indeed we've given more freedom to the people of Manitoba through a number of measures: for example, the reduction of the age of majority from twenty-one to sixteen gave an enormous amount of additional rights and freedoms to a segment of our population — all those people that happen to be in that particular age group; the passage of Human Rights legislation, the setting up of the Human Rights Commission which also has an effect on working conditions or can have an effect on the workplace in terms of ensuring that there be less discrimination, or try to ensure the abolition of discrimination in any way, shape or form in the workplace and elsewhere; the setting up of the Ombudsman.

All these were measures, and I'm deviating a bit, but I say they are measures which indicate that the NDP government in Manitoba gave freedom to the people of Manitoba, have enhanced the freedom of the people of Manitoba — Human Rights legislation, the Ombudsman, the reduction of the age of majority, and as I said, the amendment to the Queen's Bench Act. The Minister of Health also referred to the Workplace Safety and Health Act, and there too he inferred that it was perhaps bad from a business point of view, bad for psychology, and so on; but in terms of freedom, it gives the workers more freedom. Yes it limits the employers to some extent, but certainly the workers now have more freedom, in a sense to have a say in their own health in the workplace, and a say in safety conditions, safety regulations in the workplace. I say that workplace safety and health legislation therefore gave freedom, and can give freedom if it's properly administered to workers in that respect. So I say the record is quite clear, Mr. Speaker, that the New Democratic government in the past eight years has extended freedom and has indicated quite clearly that it takes a very, if you will, *laissez-faire* approach, a free approach, a freedom-of-action approach in the labour market.

The Minister of Health also said in the debate on this measure of one and three-quarter overtime that because of our labour legislation the business community ceased being interested in growth in Manitoba, and I believe he said that business — I think these were his words, Mr. Speaker, if they aren't his exact words, they're fairly exact, fairly close to what he said — that business was discouraged in Manitoba by our labour legislation. — (Interjection)— That bad psychology prevailed, words to that effect, because of our labour legislation and he used various examples including the work place safety and health legislation as an example. But you know, Mr. Speaker, if you look at the facts of what happened in terms of economic growth, in terms of economic progress, in terms of income increases in those years of New Democratic administration, you'll see that Manitoba probably exceeded its economic growth performance in those years — has exceeded any other period, by far in the past eight years — in the years 1969 to '77. In fact, the gross provincial product of Manitoba increased in that eight year period by a total that was greater than the increase in the previous one hundred years. Now I know there is some inflation in there, but even when you take that inflation out, the record of increase in gross provincial product is very impressive indeed. As a matter of fact, if you look at it in terms of per capita income for Manitobans, in this period of time the per capita income of Manitobans has increased by over 150 percent, indeed if you want the actual figures, and these are Statistics Canada figures, from \$2,166 per person in 1968 to \$5,478 per person

in 1976. This was the latest figure we could get. But nevertheless, there was a substantial increase in the per capita income. I use that figure plus the gross provincial product because those are very basic figures to use whenever you talk about economic growth or economic performance. Surely the overall estimate of what is happening in the economy are those type of figures: gross product figures plus average income figures. These are some of the more or less comprehensive total figures that one must look at. —(Interjection)— Plus attitudes, the Minister of Health says.

The point is that the minister may perceive a bad attitude or a poor psychology, or a pessimism in his travels in own constituency, but I say you have to look at the actual performance. I can't judge whether or not the honourable minister does perceive the totality based on what he sees in his own constituency, whether he can generalize from his own personal experiences of talking with some of the businessmen in his own constituency and then jump from that and generalize for the province as a whole. Because the facts remain, Mr. Speaker, that according to Statistics Canada, Manitoba's economic performance was absolutely phenomenal during this particular period of time, and particularly in the period 1972, '73, '74, '75 — in that period of time — particularly there was a significant growth in our economic performance. We are often reminded you have to look at the bottom line, and I am looking at the bottom line when I am looking at the income. Mr. Speaker, I would like to remind my friend, the Minister of Health, that in 1975 the per capita income for Manitobans increased above the Canadian national average for the first time in 15 years, in 1975. This was repeated again in 1976; 1975 and 1976 for the first time in 15 years. Yet our average income in Manitoba exceeds that of the Canadian national average, and I say, Mr. Speaker, with all humility, that is performance. I say that the Manitoba economy did perform well, obviously from these statistics that have been provided for us by Stats Canada. And I say again, that in this period of time, we brought in probably the most progressive labour code that any province has had or has now in the Dominion of Canada, in the federation of Canada, and that progressive labour code in no way, I assert, has taken away from the expansion, the expanding forces of the economy that we have witnessed, that we have seen at work.

We have seen a lot of good labour legislation put in place in the last few years. I contrast that with the figures that relate back to the 1960s and it was that decade — and I use the Sixties and I must use them because I have to compare and comparison proves, at least it is one method of proving — that when you look at the situation in the Sixties you see that generally speaking the provincial economy was stagnating. I read here, I have here a copy of an article from the Winnipeg Free Press dated March 8, 1968 and the title is Manitoba's Economic Stagnation Getting Steadily Worse, and it says Pentland, this is a reference to Professor H. C. Pentland a professor of economics at the University of Manitoba. —(Interjection)—

I'm just quoting from this article of March 8, 1968. Manitoba's economy is not only stagnant, it is the only province whose relative position has been steadily though slowly worsening over the past 50 years, and according to H. C. Pentland professor of economics at the University of Manitoba, this province's economic stagnation is due not to any lack of resources but to an inclination to put off change as long as possible, and a reluctance to fight for a leading position. So he is not making a political speech. He is not blaming any party or government or what have you. He is talking about a general attitude plus other circumstances of the day.

Addressing the Manitoba Conference on Technological Change at the Fort Garry Hotel, Professor Pentland dampened optimistic assumptions that Manitoba is growing to beat '70. This is a direct quote: "My general point is that reasons offered for Manitoba's limited growth are often only excuses for inaction, we do not so much lack opportunity as inclination on the part of those with decision-making power to disturb their comfort, and Manitoba can indeed be comfortable by taking steps to check and reverse decline." And Professor Pentland's picture of Manitoba economy included the following points. "In the early 1900s Manitoba's per capita income was the second highest after British Columbia. That's at the turn of the century. It now ranks fifth, the lowest amongst provinces west of Manitoba." Well, Mr. Speaker . . .

**MR. SPEAKER:** Order please. I know that I have allowed a fair degree of latitude, but I wish the member would try and confine his remarks to Bill No. 6.

**MR. SCHREYER:** On a point of order, Mr. Speaker. The introductory speech at the time of the introduction of this legislation brought forth the argument amongst others that this bill was required because in the opinion of the government Manitoba's competitive economic position would suffer, and therefore the debate with respect to the bill has everything to do with comparative competitive economics.

**MR. SPEAKER:** I accept the advice of the Leader of the Opposition but really are we going back to 1900 for comparison sake. I would ask the member to keep his remarks fairly close to the subject matter and the contemporary times.

**MR. EVANS:** Well, as one who is interested in economic history that word contemporary is very relative, 1900 is a rather recent figure for some economic historians. I know some historians who don't think that history starts before the middle ages. —(Interjections)— I am going to ignore the rather uncomplimentary, unflattering remarks made by my opponents opposite.

Mr. Speaker, the point I'm making, and as my leader has indicated, the essence of the Minister of Labour, I believe . . . at least one of the major points made by the Minister of Labour was the

reference to what effect this would have on economic growth and I am trying to answer that by saying that in a period of New Democratic government administration, we put into place one of the most progressive labour codes in the country and I have shown by use of statistics that at the same period of time we experienced phenomenal economic growth. I'm saying contrast that to prior to this progressive labour legislation being put into place, with the 1960s. And rather than quoting all kinds of figures, etc., I thought, Mr. Speaker, by a quick reference to an observation that was made by an economist, a professional economist of the day, would very clearly and succinctly show that Manitoba's growth rate in the Sixties, at least as of March 8, 1968 or thereabouts, was rather poor indeed.

Just concluding the reference to this article, Mr. Speaker, Manitoba ranks sixth among the provinces in average weekly wages and salaries and in growth and income Manitoba increasingly resembles eastern Quebec and the Atlantic province, areas of stagnation and poverty. Indeed the eastern areas show rather more signs of growth than Manitoba. In an era during which major growth has been concentrated in cities, Winnipeg, our major city, has the smallest growth rate in the country, and although the education qualifications of Manitoba's labour force are well above the Canadian average, a considerable part of the education investment in Manitoba and of several other provinces goes to produce educated people who move elsewhere.

**MR. SPEAKER:** Order please. The Honourable Member has four minutes left.

**MR. EVANS:** Well, thank you, Mr. Speaker. Just concluding this reference then. They move, he said, because Manitoba's growth rate is not high enough to attract them. He said Manitoba's economic difficulties are reflected not in high unemployment rates but in a high rate of emigration, that is outward flow of people, emigration from the province. Well, that is from an article dated March 1968, a conference attended by professional people, and this is a commentary made by a professional economist who is very knowledgeable of the Manitoba economy, having lived here most of his life, I believe.

Mr. Speaker, I don't know what approach the new government will take in trying to bring about new psychology. I surely hope that they will not go back to what was attempted by the Minister of Industry and Commerce back in the late Sixties, the now Minister without Portfolio in charge of the task force, the attempt to drum in "in the Spirit of '70." into the Manitoba businessmen — another business summit conference approach, where Conservative government of the day tried to turn on the provincial business community with all kinds of slogans, flags, drummer boys and so on. It will be interesting to see, Mr. Speaker, whether in the months and years ahead whether we are treated with this type of an approach to bring about the right psychology that the Minister of Health seems to think is lacking.

I would conclude, Mr. Speaker, by saying that the one and three-quarter overtime legislation, which the New Democratic government brought in, if given an opportunity to work, if given an opportunity to be effective, I think it would have been seen that it would not discourage in any way, in any major way, the economic progress of this province. That it would not have any major negative effect on the economic situation, but rather the reverse, that it could have some positive effects. That it could perhaps alleviate the unemployment situation for the reasons that I gave previously. So I urge, Mr. Speaker, the minister and the government to reconsider this legislation and consider the arguments that have been put forth when it was originally introduced and the arguments that I had made earlier in the day pertaining to reduction of accidents, pertaining to more family harmony perhaps and pertaining to the hopeful enhancement of employment in the province of Manitoba. Thank you.

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. R. (Bud) SHERMAN (Fort Garry):** I wonder if the honourable member would entertain one question, Mr. Speaker. I wonder if the honourable member, would agree that at the time that this time and three-quarter overtime legislation was being studied by the legislature last spring — I think it was Bill 65 in that session — that there were representations of a rather broad nature made which insisted that the imposition of an overtime rate at that level and in that form constituted a direct infringement on the collective bargaining process.

**MR. SPEAKER:** The Honourable Member for Brandon East.

**MR. EVANS:** Well, Mr. Speaker, as I indicated in the introduction earlier in the day, The Employment Standards Act is an Act that historically has provided certain basic points of reference, mainly for the unorganized segment of the labour force. I also stated that it was not usual to get representations for government action, one way or the other, from labour, particularly that component which is the biggest component of the workforce in Manitoba, because they are disorganized. I hope the Honourable Minister of Health and I possibly share the same viewpoint and I would agree that the ideal is to allow the rates of overtime to be set by the collective bargaining process. But the fact is that the great bulk of workers in Manitoba are not organized, they're not in a position to collectively bargain and we feel, and as past governments have felt, that it is necessary to have some employment standard by which these people will have some mode of protection, some degree of protection in their place of work.

**MR. SPEAKER:** The Honourable Minister of Labour will be closing debate. The Honourable Leader of the Opposition.

**MR. SCHREYER:** Yes, Mr. Speaker, before the Honourable Minister closes debate, I should like to say a few words, partly with respect to comments made relative to this bill in recent days and partly it would flow more particularly from what the now Minister of Health has been saying with respect to the whole issue of overtime, the problem at the time of the Griffin strike and then again his question of just recent moments.

The legislation before us, I think, is ample evidence that while they were on this side of the House the members opposite postured as though they had some very definite tangible solutions to the problem that was the Griffin Steel strike. But in fact all they have brought before us now is legislation very limited in what it attempts to do and with a little trace of reaction involved at the same time. Because even if this bill passes, as no doubt it will, it will do nothing in terms of better trying to pre-empt, or prevent a reoccurrence of a similar situation some months or years down the road. We can all hope, and I think realistically hope that there will be little prospect of a reoccurrence of a strike over that issue in the foreseeable future.

Industrial relations in Manitoba have been relatively good over the years, there have been problems, but the issue of overtime in and of itself has been hardly ever at serious issue in collective bargaining. Even where it has, it has, I think without exception, been resolved without it ever being by itself the cause or certainly not the principle cause of a strike or industrial dispute. I would be less than candid if I did not admit, Sir, that the particular dispute that lies behind this legislation was not only anomalous, indeed it was very untypical and also a source of, I guess I must admit, great frustration to us. And the reason it was so frustrating, Sir, is that among other things it was so rare. It simply was difficult to comprehend how it could conceivably be that after years and years of collective bargaining this issue had not in and of itself been the root cause of a strike, certainly not in recent years, and here it was the cause of a strike and a particularly acrimonious and bitter one at that. My honourable friends pretended that they had some better solutions in mind and I have to wonder out loud, what that solution is. The mere repeal of the time and three-quarter provision is a negative or at best a sterile act and it does nothing, and there is nothing coming in as a supplement to it that will in a positive way try to pre-empt or at least significantly reduce the prospect of this happening again.

My honourable friends opposite like to pose under the philosophy that they do not believe nearly as much as we on this side in the use of government as an instrument to achieve certain objectives, goals. In other words, they like to pose as being almost pure in their opposition to government intervention in the economy and yet, I wonder if they realize how inconsistent they are when in industrial relations they make statements such as the Minister of Health, not only today again, apparently he repeated it, but on previous occasions when he said what should have been done is that the two principle protagonists should have been removed from the scene. Of course, Mr. Speaker, unless they have committed something in the nature of an unlawful action or unless they are repudiated by those they represent. There is no basis for removing them by government fiat. Indeed to do so would be the most ultimate kind of government intervention.

Then too, as an example, and what an inconsistency it is, Sir, for those who would say that with respect to certain groups of employees and certain groups only, not others, that there should be legislation passed that circumscribes their rights of collective bargaining; their rights of strike action is — I don't know whether they realize it or not — the ultimate form of government intervention, state intervention. The passing of Statute Law that has the effect of treating one group of organized people differently from others, with respect to basic procedures and rights of collective bargaining and the right of protest including strike action, is the most ultimate kind of government intervention, and moreover it is completely to one side of the balance pivot point. Well of course, no one who is fully aware of the delicate nature of industrial relations and collective bargaining and processes in our day and age would ever pretend that there are simple answers to some of these more fundamental questions. But I have heard all kinds of facile solutions offered by honourable members opposite, both when they were in opposition and also on the hustings. The implication left with many citizens out in the country that mistakes were made when the rights of strike action were extended, all of it however being uttered by those who say that they do not believe in government intervention. The fact is, Sir, that industrial labour relations are among the most complex and finely and most delicately balanced of human relationships that exist in our society today, and any action taken by government that would tilt the balance to any significant degree had better come up with compensating action as well, otherwise free collective bargaining and the whole climate surrounding it that is necessary for it will be changed.

My honourable friends opposite are going to, by virtue of this bill, remove the time and three-quarter provision, ostensibly because they feel — and I take their word for it — that they really believe that this will cause Manitoba industry to be placed into a measureable unfavourably uncompetitive position with the other jurisdictions who would not have this kind of provision on the Statute Books.

Then, too, the Minister of Health makes the argument that legislating time and three-quarters is an intrusion or impingement on collective bargaining. I wonder if he would make the same argument in light of the fact that the Employment Standards Act for many years, here and in other provinces, has

presumed to set down maximum limits of standard workday and workweek beyond which time and a half is required. That presumably is not an intrusion into collective bargaining but the addition of one-quarter — from one and a half to one and three-quarters — is an intrusion. It is a difference of degree and that's all it is and cannot be any more of an intrusion than is time and a half.

Having said that, Sir, I want to return now to put on the record what is, I believe, a necessary thing to do and that is to make some comparison with respect to the kinds of Employment Standards Act that are in place in the different provinces of our country.

I believe that Manitoba has in the course of this decade made a number of important and significant changes in labour relations law and in The Employment Standards Act and indeed Workers Compensation. To dwell on these would perhaps be digressing from the rules. But surely it is completely in order to refer to The Employment Standards Act to which this proposed bill would be a direct amendment.

It would have been relatively simple to have lagged behind all of the other provinces in terms of changes in The Employment Standards Act, but instead we did proceed in the early 1970s to reduce the standard workweek from 48 hours down to 44 and then down to 40. There are some provinces in this country, two others I believe, that have similar provision now. There are a number of provinces however which have 44 hours as the maximum standard workweek beyond which time and a half is required, and believe it or not there are some that are still at the 48 hour mark in terms of the standard workweek.

There is one jurisdiction in Canada, Mr. Speaker, that has attempted to wrestle with the question of overtime and whether it can be made mandatory and how to deal with those employers who insist on significant and major amounts of overtime each year. They have attempted to deal with it by means of introducing legislation and passing it, which provides that at the 44-hour threshold, that whereas the 40-hour workweek is the standard workweek and time and a half beyond that, and overtime can be required up to 44 hours, but that it cannot be required after 44 hours, that has been an attempted compromise of the problem in one other jurisdiction in Canada. In all other of the eight jurisdictions there has been really no grappling with this problem.

I am not in despair, Mr. Speaker, because I believe that by the law of averages, just basing it on the probabilities as projected from actual experience over the past 10, 20 years, that this issue will not likely crop up in direct confrontation again for many years. Then again by some flook it might. And if it does my honourable friends will be saddled with the responsibility of trying to find out which of the two sides, if any, is acting in the lesser good faith and what therefore, if anything, can be done by the government to try and bring about a civilized solution of the problem.

It is of course a matter of considerable major regret that this particular episode here took on the dimensions being such a *cause celebre* that those on both sides became so very firmly entrenched in completely unaccommodating positions on the matter.

I believe that it is fair to say, simply because that has been the case here and in all other provinces that I am aware of, that this will not come to confrontation most of the time. Most years it just will not arise as a matter of dispute. But I have to repeat, Sir, that there is nothing in this bill that will put us in a position to be better able to cope with that problem or to discourage that argument or issue of principle from arising again. It is a completely negative sterile action to simply remove the provision for time and three-quarter and putting nothing in its place and no alternatives.

I think also, Mr. Speaker, that it is important to point out that at a time of rising unemployment — and you yourself heard, Sir, yesterday the extent to which unemployment is rising — and would it be an exaggeration to say that there is every prospect that it will rise substantially even further next month and the month after and the month after that; that there is no great harm in at least attempting what is admittedly something somewhat experimental in the hope that it will bring about some disincentive to working people significant hours of overtime in the face of major unemployment.

Now I know, Mr. Speaker, that arguing that point as a matter of pure principle and in the abstract is misleading, and I therefore shall not attempt to do that. There are circumstances in which it is — one would have to say absolutely unavoidable for a firm or firms to have overtime worked by its employees or a significant number of its employees. And of course there were those who thought it was so easy to try and deal with this problem in the first instance by means of legislation that would simply ban overtime and not even make it possible to be dealt with, therefore, under collective bargaining and which would try to define emergency, that overtime could only be required under conditions of emergency. There is such a thing, Mr. Speaker, as emergency of the first degree. There is such a thing as emergency of a kind which has to do with major and abrupt changes in orders placed with a company to be filled within given amounts of time. And while it is not an emergency in the normal sense of the word it is nevertheless a matter of at least semi-emergency, unless we are to throw all considerations of commercial competitiveness to the wind.

But of course as in many parts of human endeavour there are always these tendencies to fly to extremes. While there is an acknowledged need, from time to time, for a given plant — and that varies even with the nature of the operation, foundries as opposed to lighter industry, there's quite a difference in the extent to which overtime may be more necessary in one type of industry than in another — it fluctuates also not only as between different kinds of industry but as between seasons of the year, and it would be unrealistic to pretend that there could never be cases of bona fide requirement for overtime.

On the other hand, Mr. Speaker, there is enough evidence to suggest that some companies more than others indulge in the practice of substantially larger amounts of overtime being required of employees and of particular individual employees. I don't know if it's something about which to be

shocked, Mr. Speaker, but when one hears of 20 successive Saturdays in a year having to be worked as a condition of employment, that, Sir, borders on being an abuse, and so it goes. The matter is admittedly complex and I suppose everyone can agree on that. But what was proposed here was an attempt to provide what was believed to be a realistic disincentive to excessive overtime and by definition therefore in the converse, some encouragement to employers and operators of manufacturing plants to try and obviously — it sounds trite — to try and schedule their production better over the year wherever possible, recognizing that special orders and seasonal fluctuation cannot be avoided. And also to try and provide for all this by means of scheduling of overtime in a way that works on a round robin basis and thereby is no insinuation of mandatory or compulsory overtime.

Also it was an attempt to try an experiment which was, as I indicated already, felt to be realistic enough to be at least attempted for a period of time and if not feasible, if demonstrably injurious to our economy's competitiveness, then it could be repealed. Instead, it is being repealed before the fact and ironically at a time of unemployment which is perhaps the highest — would it be an exaggeration — perhaps the highest in this province's post-war history, so that it is not only ill-timed, it is ill-conceived.

**MR. DEPUTY SPEAKER:** The Honourable Member for Wellington.

**MR. BRIAN CORRIN:** At this time, Mr. Speaker, I would like to move adjournment, seconded by the Honourable Member for Churchill.

**MR. DEPUTY SPEAKER:** The Honourable Government House Leader.

**MR. JORGENSEN:** I am not going to stop the honourable member from adjourning this debate at this time, but I think I should indicate that very shortly the adjournments are not going to be taken any more.

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

**MR. SCHREYER:** That's procedural information, Mr. Speaker, and I just want to let my honourable friend know that we wouldn't regard it as unreasonable at this stage and in the future.

**MR. DEPUTY SPEAKER:** The Honourable House Leader.

**MR. JORGENSEN:** I ask the Leader of the Opposition to repeat that, I didn't quite hear him.

**MR. SCHREYER:** I said since it is a procedural matter, I felt it was in order for me to rise to indicate that the information given us by my honourable friend, we do not quarrel with. We're not suggesting it's unreasonable.

**MOTION presented and carried.**

### **BILL NO. 3 — GIFT TAX AND SUCCESSION DUTY ACTS (MANITOBA)**

**MR. DEPUTY SPEAKER:** Bill No. 3.

**MR. DOERN:** Mr. Speaker, the bill is standing in the name of my seatmate, but if it would be in order I would like to say a few words.

**MR. DEPUTY SPEAKER:** Agreed? (Agreed)

**MR. DEPUTY SPEAKER:** The Honourable Member for Elmwood.

**MR. DOERN:** Mr. Speaker, I listened with considerable interest to some of the contributions to the debate on this particular bill. Originally I had no plans of speaking on it, but I draw some inspiration from the remarks of members opposite when they were making their formal presentations and I must say that the one that I found most interesting and offensive at the same time came from the Member for Pembina, who hold us in no uncertain terms how this was a measure really to help the poor and down-trodden, and in particular the poor small farmer of Manitoba, the little guy. That's how it was characterized, that the measures that were to be introduced in terms of gift taxes and succession duties were not what we in the opposition thought, namely measures to further extend privilege in the province, but they were measures, according to the government, to help the little person. And I think my colleague, the Member for Lac du Bonnet, made a superb response today in terms of some of the problems with the speech from the Member for Pembina, and I think the Member for Lac du Bonnet effectively countered them, and I would like to make some observations as well.

One of the reasons, Mr. Speaker, we were told that this legislation had to be brought in was that it was, of course, a major election issue, and I think that some of the members in the government — I really believe that that's why they got elected that, boy, if they hadn't hammered that theme, if that wasn't a part of their election platform, why we might be in the old position, New Democrats on the

government side, Conservatives in the opposition — because they struck upon that human failing of all of us, the desire to pass on money.

Conservatives, you know, Mr. Speaker, as the First Minister has told us time and again, they understand human nature — the darker side of human nature — and that Socialists and Liberals are soft in the head, well-intentioned, bumbling, but you know, soft, and it's the Conservatives who see things in the cold light of reality and also understand, understand people — their greed, their failings, their aspirations, and their desires. Well, you know, Mr. Speaker, the Conservatives tell us that they are concerned about the little guy, not the wealthy guy, and it was because of this concern that they introduced legislation. Well, I say that the Conservatives are concerned about unemployment — they tell us this every day, Mr. Speaker. Now, the Minister of Labour went out to a meeting of the construction industry in which, it was pointed out, there was probably the most serious unemployment pending, at least in the post-war period, if not since 1940, and she said that she was concerned about this, that she really felt bad about it; but there was no policy, there would be no action, there would be no programs, there would be no expenditures, no corrections, no new thrusts — it was just an expression of, sort of, "I'm with you, I understand your problems," and so on.

You know, I guess it's like somebody who's down and out coming up to you on the street — some poor fellow in tattered rags who really is down and out — asking you for a little money, and you shake his hand and say: "Good luck," you know, "I'm with you, keep up the good work," and so on. But no money, no visible means of encouragement. So the Conservatives said, you know, they said they would do this, so they had to do it. You know, they're men of their words — if they say they're going to do something, even if nobody's listening, even if it's not really a priority or a concern, they say that they will eventually do it.

You know, it reminds me of the federal Liberals in the Sixties. I don't know if my Honourable friend from Morris was in the House of Commons in those days — I think he was — during the flag debate. They said to the federal Liberals: "Why are you bringing in this legislation?" You know, "There are tremendous international problems, there are serious problems in the economy."

**MR. SPEAKER:** I know that we have had a wide degree of latitude in debate, but I fail to see where the flag debate fits in with the Gift Tax Act and Succession Duties. The Honourable Member for Elmwood.

**MR. DOERN:** Mr. Speaker, you have to be patient because I'm elaborating' and I'm just giving you a short illustration here that this government has said that they had to bring in this legislation — this was a priority of the Conservative party. You know, at this point in time, despite all the serious problems in the Manitoba economy, I say unemployment is the priority. They say: "Oh, don't worry about unemployment, you know, it's good for people . . . toughen 'em up." They say: "We have to bring in this gift tax and succession duty, this is really what counts." And I say that that reminds me of the federal Liberals because the Liberals brought in a flag debate in spite of the serious problems in the national economy, and then when they were asked why they did this, they said: "Because we talked about it in the election campaign." And you know, Mr. Speaker, any of us who can recall that campaign well — 1965 — and I think I do. If you think back to those days in the mid Sixties and so on, nobody talked about the flag, there was no debate, there was no national discussion about it, none whatsoever. The Liberals did have it in their program. You know, if you looked and read their program very carefully, it was mentioned in the program, and so they said: "Well we have to do it, because we would do it."

So the Conservatives tell us that this is a priority of their government. Well, Mr. Speaker, I say that in view of the problem of Manitoba society, this is a very low priority, and if they are not tackling the major problems of our province, and I could characterize that in one word as unemployment. Now the Conservatives would have us believe — some of their spokesmen — and I'm now thinking of my honourable friend, the Member for Pembina . . . I had a very interesting talk with him in the first days of this House, and I told him, Mr. Speaker, that his predecessor was a very popular man, that although we didn't agree with George Henderson, we liked George Henderson, and he came into this House as an extreme right-winger, and he left this House as almost as extreme as he was right-winger. He moderated over the years, Mr. Speaker. But my honourable friend informed me, much to my surprise because I really couldn't grasp his point, that Mr. Henderson is considered as a moderate in Pembina. That's too much for me to understand, I'll eventually be able to absorb that point, but apparently there are people more extreme in their political and philosophical convictions than the old Member for Pembina and perhaps even the new Member for Pembina.

So the Conservatives argue that this is a bill which will affect the average person, because there are a lot of average people around who are eligible for gifts and succession duties. Well, Mr. Speaker, I don't think that anybody will believe that. We know that this bill wasn't brought in to help the poor farmer, it may help some farmers, maybe it'll help some rich farmers, and it'll certainly help some people in some of the urban centres who have a fair amount of money to pass on, but we know that this is not a piece of legislation for people with very little. It is a piece of legislation for people with a great deal.

And you know, I've always regarded estates and inheritances with a jaundiced eye. You know, a lot of the members opposite, they give us tremendous speeches on welfare, they don't want anybody to get something for nothing. They're against welfare bums. They cannot stand the person in society who sits and does nothing and picks up money from the government — that person is a parasite. But,

on the other hand, they are prepared to turn over considerable amounts of money to people who sometimes did nothing to earn them, or to gain them. The children, for example, children of wealthy people, what did they do to inherit considerable sums of money, other than the accident of birth? I mean is that really unlike, or different than a person who simply sits back and collects a welfare cheque and never tries to get a job?

Well, Mr. Speaker, I think about twenty-odd years ago in Canada two very wealthy men died — I don't recall their names, I think one was Dunn, who was a steel magnate, and somebody else — two men died and left \$100 million to the government — that was the government's cut of their inheritances — and that money was used by the federal government to establish the Canada Council, which I think ever since has done a tremendous amount of good for thousands and thousands of Canadians, artistic Canadians, ever since.

And if you look at Canadian society and how it is structured there is a definite pattern as to how the people at the top stay at the top, because I supposed it's changed over the years, but there have been class studies made. There was a very famous book written ten, fifteen years ago called "The Vertical Mosaic" by John Porter, in which he analyzed the great Canadian mosaic, tried to determine who was at the top, what they had in common, and how they got there and how they stayed there. And it was, I think, fairly predictable, I don't think any of us who studied that book learned a great deal. We learned something but we knew what was in that study because we know roughly who's at the top, and there was a definite pattern. The sociologists looked at people who were on all the big corporations, made all the big decisions, served on a score of board of directors, and he found out they had certain things in common. One old thing that they had in common was the old Anglo-Saxon-Protestant background — that seemed to be a common thread that ran in the power structure of Canada. They also as background went to private schools. They sent their children to private schools, then they sent their children to universities where they picked up more connections, more club memberships, more dates with the members of the opposite sex — or perhaps in contemporary terms, with either sex — and established the connections, got the jobs in the old family firm, and then last, but not least, inherited money. So on top of all the advantages of being born into a family with money and education and connections and so on, on top of all of those advantages came the additional advantage of the old lump sum.

So, Mr. Speaker, I speak, I think, as an average Manitoban speaks about this bill, because you know, I don't speak as a person who has any money or any wealth, either to inherit or to pass on, because I made the decision years ago to seek a public career and there's obviously no money in that. One who determines to set out on a career as a teacher or as a politician will never accumulate any money, Mr. Speaker. Money is in business. If you want money you choose a career in business, you never choose a career in some feeble profession as a politician or a teacher or a preacher, or anything like that, social worker. There's nothing, no financial rewards in those professions. The pay-off comes as a lawyer in business, et cetera, that's where one can make some money. But I say to the Attorney-General and his colleagues, never, never use trust funds no matter how big a temptation that may appear to be.

So I simply say, Mr. Speaker, that I have to read this legislation in the light of my own background as a person who grew up in a working class district in the city of Winnipeg, and who represents a working class district in the city of Winnipeg, and as I say, I do not see this legislation as some of the other members see it, perhaps they see it from their own personal vantage points or they see it from the vantage points of people that they sympathize with. That poor man with the half a million bucks who can't pass it on, or that young son who can't get that half million dollars without paying taxes on it. I mean there's a problem for you — that's enough to make some of the Conservative backbench burst into tears because they have compassion for people who are confronted with those difficulties.

For the rest of us, I suppose, on this side, who probably reflect about 90 percent or 98 percent of the people, I think, on this particular measure, will have to be content with leaving other inheritances to our families. You know, I don't contend to attempt to accumulate a sum of money to leave to my one and only daughter. I think that a — (Interjection) — that's right. I think that what a parent should leave to one's children are other things. I think an education, a sense of values, perhaps some exposure to travel, etc., those are the kind of things I think that one should strive for. But this goal of accumulating money, passing on a lump sum, I think is not one that merits much attention or consideration.

So I say that I do not believe the members opposite when they say that this legislation will benefit the little guy, the poor farmer — I don't mean the rich, you know there's various farmers — but the poor farmer, the kind of person who farms around Emerson and so on, those little dirt farmers out there who are scratching a living, that's really who they have in mind when they're introducing this legislation. Well, Mr. Speaker, I don't believe them when they say that. I think they're saying that but they're really just trying to pull the wool over our eyes.

And I would say in conclusion that I simply cannot support a measure that will further enhance privi-lege in this province.

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. PETER FOX (Kildonan):** The honourable minister shall be closing debate and at the present time it's in the name of the Honourable Member for St. Vital.

**MR. SPEAKER:** I apologize for that.

MR. FOX: Thank you.

**BILL NO. 4 — AN ACT TO AMEND THE MINERAL ACREAGE TAX ACT.**

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: . . . the Minister of Finance an opportunity to close debate on a bill, I don't intend to be all that long and I don't suppose there are any other speakers, at least not that I am aware of.

My purpose in speaking on this bill, Mr. Speaker, is really prompted by the fact that a number of Conservative members of this House have repeatedly made reference to the word "principle" when debating this legislation, the Mineral Acreage Tax Act. And indeed some of them have said that it's not the money, it's the principle that motivates them to introduce this legislation.

My purpose in rising now is only to probe away at this rather elusive principle that seems obviously to be in their minds. To begin with I am trying very hard to evoke from them — perhaps the minister will in his reply indicate just what the principle or principles of taxation and fiscal equitability are that seem to be so much in their minds. It would seem to me, Mr. Speaker, that what is involved here was an effort to try and bring in a tax measure that would have some measure of equitability in tax treatment and also face the facts of life.

Is the principle that they are so concerned about one that it is inherently good that individual owners of land in private title or fee simple should own the mineral rights to the said land? If that's what they really believe then it seems to me that they should as a companion piece to this bill have brought in accompanying legislation that would do just that with respect to the many owner of land in private title in this province who do not have the mineral rights attached to the title, and never have had. So I assume that when they speak of principle they are not going so far as to attempt to argue in principle that it is inherently good in and of itself that all land and private title have automatically the mineral rights attached thereto, because I would venture to say that more than half the land owners of this province do not have the mineral rights in any case. So that's not one of the principles. So then I'll search further as to what this principle is.

Is it that they object in principle to this 10 cents an acre tax on mineral rights where they do attach to the land title, because it is some nefarious part of socialist dogma? On reflection, that cannot be the principle that motivates them because it seems to me — and this has been well explained by others

— that we were not the ones to initiate a 5 or 10 cent an acre tax on mineral rights. It has been in place in at least three other Canadian provinces for more than a generation. So that cannot be the principle. So what is the principle?

It seems to me, Sir, that what is before us now is not in fact a matter of principle, but the antithesis of it. In other words it is — whatever its merits if there be any — it has nothing to do with inherent principle or fundamental principle.

My colleague, the Member for Inkster, this morning made very direct and cogent reference to a piece of Statute Law passed here in this House, March 22nd I believe, just offhand I think, March 22nd, 1967, enacted here in this House, that in its effect made very sure that where there was doubt previously as to whether sand and gravel were deemed to be minerals or not minerals, made it very clear that they were minerals and therefore with respect to all land held in private title in Manitoba in which mineral rights were not automatically attached, that they would not have the benefit of even those two rather mundane elements. So they better not use the argument that they believe in the principle that mineral rights automatically and inherently should, as a matter of principle, adhere and attach to the title. It is indeed a matter of extensive hypocrisy for them to pretend that.

Would they venture to an opinion as to whether in the Swan River valley, for example, it is one percent or two percent or even that much of the land held in private title there that has mineral rights adhering to the title? In point of fact, Mr. Speaker, in the Swan Valley as in so many other parts of Manitoba the owners of land in fee simple or private title do not and never have had mineral rights. And if my honourable friends want to deal with the matter as an issue of principle, then they should be looking to that historical fact and they most certainly should not have aggravated that dichotomy in this province by moving the way they did on the 22nd of March, 1967, to make darned sure that even gravel and sand did not adhere to the title in terms of rights of ownership. They moved in the opposite direction. —(Interjection)— Now they come before us — well there's no question about that fact. I give a very specific reference, 22nd of March, 1967. Because there was some degree of doubt, I shall not presume to say whether it was a large or a minor degree of doubt, but there was some doubt obviously, otherwise why bring the legislation forward as to whether mundane gravel and sand were to be regarded as adhering to, as belonging to the owners in private title of land or not. They said no, no. Wherever there is not at the present time a right of mineral ownership adhering to the title, then there is no right of ownership of gravel and sand either. Ad all members opposite who are in the government now, who have some responsibility — and this can weigh on their conscience as far as I am concerned in terms of principles of equitability and fairness — had better investigate what the purport of that March 22nd, 1967 legislation was.

If we are to embrace the principle that it is inherently good that mineral rights adhere to private title, then it is inherently good that it do so province-wide, wherever land is held in fee simple. But of course I know full well that they will not even want to think about that prospect. Nor do I think that they will want in their conscience to advance the argument that what we did here was unprecedented because the facts are so simple to ascertain; that there has been taxation, I believe in the same order

of magnitude, 10 cents an acre; maybe in one of the four provinces, 20 cents an acre, but in that order of magnitude with respect to all mineral rights in those cases where they adhere and attach to the title of surface land ownership.

My honourable friends have no principle upon which to base this legislation. Furthermore, it is relevant to, I should think, such a very minor percentage of the population that I wonder if it can be measured as being one percent, because it does not apply to more than half the province where there is no right of ownership anyway of mineral rights, and hasn't been since 1889 or 1890. As it occurs to me now, there is no principle here and it is a matter of historical lottery, those who happened to buy land already existing under private title, or from the Crown, but before 1889, received mineral rights. Those who bought land after 1889 did not receive mineral rights unless that land had been issued by the Crown prior to 1889 to some other — in other words, some other person as the initial owner, in which case it was simply then sold a second and third time.

I know that indeed this sort of historical line, this invisible line, is so interesting in some municipalities especially because it depends on the historical pattern of settlement. In some municipalities there is absolutely no land owned today or at any time in which there is mineral rights attaching to the titles. In other municipalities I suspect all private titles have mineral rights attaching. In some municipalities some do and some don't. As a case in point, the Municipality of Springfield, the Municipality of Brokenhead, some do and some don't. The Municipality of Swan River none do. That's the first major observation.

The second is, that even with respect to those who live in municipalities in which all land titles have mineral rights attaching, that whosoever is actively farming the land is deemed to be owning the land for the purpose of farming it; the mineral rights are merely coincidental thereto. That is a rationale, however imperfect, for not putting even the 10 pennies an acre tax on it. But for those who are not actively farming the land and who are holding it for reasons other than working it, and all those corporate owners of land by their very nature of being corporate entities, are required to pay the 10 cents an acre. Is it unconscionable OR WOULD THE REVERSE BE UNCONSCIONABLE THAT THEY WOULD BE PERMITTED TO HOLD THIS LAND IN PERPETUITY WITH MINERAL RIGHTS WITHOUT ANY CONSIDERATION TO THE GENERAL PUBLIC AND THE Crown, while in other parts of the same province those actively farming the land and owning the land in fee simple and private title have no mineral rights whatsoever. And then to add insult to injury, March 22nd, 1967, they make sure that they're not even given the benefit of the doubt as to whether they own gravel and sand. I wonder if they are going to feel in any way motivated to repeal the 1967 Statute so that at least the mundane elements, gravel and sand, will be deemed to adhere to the title. Or at least let the doubt re-establish itself. They never thought twice, and they moved to preempt in one circumstance. And then what — 10 years and six months later they move to re-enshrine an immunity from even 10 pennies an acre taxation.

Yes, I believe there is principle involved here, Mr. Speaker. It is the principle of the obligation to always keep searching for consistency and equitability in the treatment of our citizens, and this legislation sure as hell does not do that, Sir.

**MR. SPEAKER:** The Honourable Minister of Finance will be closing debate.

**MR. CRAIK:** Mr. Speaker, I'll be closing debate and there are a number of points that I want to cover.

First of all, Mr. Speaker, when I introduced the legislation it was reported — and there were good grounds for the report being reported as it was, because of the context in which I made the statements in the Legislature at the introduction of second readings — that there were 13,392 individuals who lost their title to their mineral rights. Actually the case is that there were 13,392 individuals who were in arrears and there were only, I believe, 20 cases in total where the title to the mineral rights had in fact been renounced by those individuals. So I want to clarify that for the purposes of the record, not that it perhaps makes a great deal of difference otherwise.

As I indicated at second reading, at the introduction also, the majority of the people that are imacted by this tax are individuals. One other point that I didn't mention in introducing it is that a lot of the people who are in fact were exempt from the tax under the provisions of being resident on the land in which the mineral rights were held, because of the complexity of in their view of being, first of all, served with a notice of their taxation and the necessity of them to file an exemption, didn't even bother to file the exemption because they didn't understand the whole procedure. So we have an awful lot of these people who were exempt from the tax but in fact didn't realize that all they had to do to clear their liability of a tax was to indicate to the government that they in fact were exempt from it. So we've got a number of cases in here where the people actually had full rights to go on holding their mineral rights but were in the process of losing them simply because they didn't understand that they were exempt. So we've got that other added anomaly to the rest of them.

Well, Mr. Speaker, the sort of bottom line in it as far as the impact on the individual is concerned, what was in effect happening was that the mineral rights would have reverted back to the Crown in the majority of cases, Mr. Speaker, simply by non-payment of this assessment. The amount of money collected was \$400,000 roughly a year, \$398,000 in the last recorded year. The cost of administering the program was approximately 50 percent of that amount. Approximately \$200,000 \* \* \* \$400,000. Now, Mr. Speaker, in addition to that, if you went through the Land Titles Office cost of filing a lien if it had been carried on to its logical conclusion, your costs in administering it are compounded further.

So it's highly doubtful, in fact whether — it isn't really a tax and when it's referred to as a nuisance tax, that's the best possible description that can be used to describe it. What it was, in fact, was a means of squeezing the mineral rights out of, not corporations, but as the statistics have indicated here, there are individuals who may or may not have been exempt, and the actual numbers, in total, of those that did not pay their tax, out of the total there were 599 who would fall under the title of corporations, and there were 13,392 who were individuals. So that gives you the ratio and primarily the individuals are people who did own the land, may or may not have been resident, but still could have been resident and didn't understand their rights to even be exempt from the tax.

So in the total picture, it was not really a productive method of taxing for revenue for the province. The indications are that probably the cost, without the costs of having gone to the completion of going all through the Land Titles to carry it through to its logical conclusion, without including those, were running at near 50 percent of the amount collected. So really what it was, again, is the amount boils down to, it was by indirect means, taking away from those people that still qualified for their mineral rights, to take it away from them by this means. Perhaps it would have been more equitable to pass legislation that simply took it away. At least you were being intellectually honest about the approach. Perhaps it would have been more intellectually honest to take the approach and to do it that way. What you were doing here was doing it by the back door.

For 1976, there was 22,389 accounts maintained under the tax. 21,262 were individuals, with the average tax paid per account, \$13.00. Mr. Speaker, again, is it a major tax? It is a major nuisance for the individuals, even those who were exempt, when they saw the amount they may have been liable to were inclined to not do it, but over a period of time! lost their mineral rights.

Third, significant numbers of Manitobans are simply ignoring the tax completely. That's what I tried to indicate to you here. The tax is minimal, the returns from it — the net contribution with respect to each account is approximately \$7.00 per account when you take in the overhead of administering it, and that's without the costs of going ahead and doing the registrations in Land titles, which is not an insignificant part of the cost. In addition to the difficulty the tax has created for those directly affected by it, it has also contributed to the atmosphere of unease and uncertainty, just generally, Mr. Speaker, for those who are, of course, in the most cases, people who are from the farm community of Manitoba.

Well, in the final analysis, the major debate on this boils down to the philosophical debate, the difference of opinion, Mr. Speaker. There's no point in pursuing this further, there's no more that is going to be said on this side that's going to convince the other side that it's an equitable move. There's nothing that they're going to say from the other side of the House, that's all been said before in this Legislature, the debates have gone on uninterrupted for several years. Nobody is going to change their mind on this issue at this point. I simply trust, Mr. Speaker, that we can get on with the bill as it stands, and if there are specific things that have to be answered in the way of specifics of the legislation, we can deal with that later. But I do want to point out that the individuals affected by this did not actually lose their titles to the land, it's just that they are in arrears and they will have a period of time to pick up those arrears. They will be notified of it and the mailings will go out and they'll have an opportunity to pick up their arrears and pay the tax, or pay interest on the arrears that have accumulated.

So Mr. Speaker, with those remarks, I would recommend this to you for vote at second reading.

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Finance, an Act to Amend the Mineral Acreage Tax Act.

**QUESTION put, MOTION lost.**

**MR. JORGENSEN:** Mr. Speaker, if I may be so presumptuous to correct you in a matter of procedure, I think you should have called the Yeas and Nays, but in any event, I will ask for the Yeas and Nays to be called.

**MR. SPEAKER:** I apologize to the House for a change. Not knowing the procedure too well yet, will we call in the members? Call in the members.

The motion before the House is the motion of the Honourable Minister of Finance, on Bill No. 4, an Act to Amend the Mineral Acreage Tax Act.

**A STANDING VOTE was taken, the results being as follows:**

**YEAS:** Messrs. Lyon, Jorgenson, McGill, Craik, Sherman, Spivak, 1Mercier, Einarson, Downey, Ferguson, Johnston, Banman, Mrs. Price Messrs. MacMaster, Ransom, Axworthy, Blake, Gourlay, McKenzie, Brown, Minaker, Driedger, Orchard, Anderson, Hyde, Galbraith, Wilson, Steen, Kovnats.

**NAYS:** Messrs. Schreyer, Evans, Uskiw, Green, Pawley, Miller, McBryde, Uruski, Fox, Walding, Doern, Boyce, Hanuschak, Adam, Corrin, Cherniack, Barrow, Parasiuk, Jenkins, Cowan.

**MR. CLERK:** Yeas, 29, Nays 20.

**MR. SPEAKER:** I declare the motion carried.

**BILL NO. 8 — AN ACT TO AMEND THE SUMMARY CONVICTIONS ACT**

**MR. SPEAKER:** On the proposed motion of the Honourable Attorney-General, Bill No. 8 — An Act to Amend the Summary Convictions Act. The Honourable Member for Flin Flon.

**MR. TOM BARROW:** I defer to my colleague from Selkirk, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Selkirk.

**MR. PAWLEY:** Mr. Speaker, I understand that this bill arises as a result of an appeal against a conviction arising from a matter involving a Highway Traffic Act offence. The appeal was allowed on the basis that there was no transcript or record of evidence taken in the original trial before Judge McTavish. And I understand as well that what has been a practice, apparently for a number of years, and I understand both in the City of Winnipeg and areas outside the City of Winnipeg, that court reporters have not generally been available in order to take record of the actual proceedings.

I understand as well, Mr. Speaker, that the reason for this has been the fact that there are only so many court reporters and that the budget of the province, really in some respects, does not justify the provision of court reporters in every single matter pertaining to summary conviction and particularly 8 minor Traffic Act offences.

So that in basic principle, what the Attorney-General has indicated to the House is that he wishes to legalize that which has been taking place in practice for a number of years. I cannot find too much fault in regard to that intention. There are two areas that I would like to express reservation on, however. One pertains to the fact that the appeal now, if one is to take place, must occur by way of trial *de novo* — in other words, the witnesses would be required to attend, for the second time, a trial. They would have to attend in person. It could be, Mr. Speaker, that this would involve additional expense insofar as any defendant was concerned in any summary conviction matter. It might be, on the other hand, because of the brevity of the proceedings in Highway Traffic Act matters, that this would not be necessarily more expense, but it is an area, certainly, that does concern us, and when we arrive at the committee stage I think we would want to pose additional questions to the Attorney-General in regard to that general area of concern on our part.

More important, however, we do have concern in respect to the provisions of this Act, which make the law in this regard retroactive. What the Attorney-General is asking us to do is not to simply legalize the practice insofar as future proceedings are concerned, but he is also asking us to retroactively legislate. Mr. Speaker, it does come as some surprise to me to hear from an Attorney-General, representative of a government that so often in the past, while they were in official opposition, condemned and criticized the former government of this province for introducing retroactive legislation. I believe, Mr. Speaker, that you can probably recall vividly instances in which the former Attorney-General was soundly criticized and chastised in the House for introducing legislation of a retroactive measure. And Mr. Speaker, I must say that when I was so soundly chastised in those days, I had to, in the back of my mind, acknowledge that there was considerable justification for the criticism that was being launched. I know difficult situations arise, but I must recall with some considerable pain the instances in which there was strong and powerful criticism launched towards the then government of the day for introducing retroactive legislation. So, Mr. Speaker, I must acknowledge to you, I must acknowledge to you, Mr. Speaker, recalling those days, which I know you recall so well, the little bit of surprise in my part to see in Bill No. 8, Mr. Speaker, provisions which would in effect make that legislation retroactive. I don't know, Mr. Speaker, whether or not there are instances where important rights are being taken away retroactively. I do not know, Mr. Speaker, whether there are individuals in Manitoba that might find themselves stripped of the right to appeal on the basis of legislation that we are today passing in this Chamber. I do not know, Mr. Speaker, how many such instances there might be presently in Manitoba of individuals that might find themselves adversely affected in this regard.

So, Mr. Speaker, my inclination would be, I do think, in view of the record of the honourable members present, in the past, in respect to the introduction of retroactive legislation, the very sound arguments that were presented in the past in this regard and knowing of course that the honourable attorney-general, I believe, in spirit, would associate himself with my concerns with regard to retroactive legislation, I anticipate that when we arrive at committee that there would be general agreement that this legislation should not apply retroactively. I would therefore, I think, safely assume that all honourable members would be prepared to co-operate with appropriate amendments to remove its retroactive nature.

**MR. SPEAKER:** The Honourable Member for St. Johns.

**MR. CHERNIACK:** Mr. Speaker, I just want to make an additional comment to that of the Honourable Member for Selkirk. I don't want to hold up the bill at all but I am concerned about the extent to which trials may be taking place without a proper recording of what takes place during the trial. I would expect that the attorney-general will be able to, or will have staff with him at the committee stage to give information as to the extent to which this is done. My experience in traffic

court, is a long, long time ago and limited to Winnipeg but in my recollection, there was always a court reporter present to make notes. I am also under the impression that the magistrate was expected to keep extensive notes when there was not a court reporter and that those notes were considered to be transcripts on an appeal. I have not bothered to look into the present law as it compares, to the time when I had some experience with it and I would not suggest that we try to hold up or even vote against this bill at this stage. But I would ask the attorney-general to give us as much information as he can as to the practice as it was, as it is, and more important the rights of the people affected, not only in the retroactive feature but also the rights of people as they will be affected if this bill goes through in the future. What record is kept and does that now mean that their only recourse will be by trial *de novo* and if that is the case, then I would expect that the attorney-general will give us a pretty good idea of the costs involved.

The problem here is, Mr. Speaker, that most offences under the Highway Traffic Act are not considered terribly serious nor are the penalties that damaging except, I suppose, in the more serious ones which may involve loss of driver's license, and those which may involve substantial increase in the Autopac system which the government of the day is operating and, in their hands, may yet become more expensive. That being the case, I can see that it could be a very serious problem for a person who is convicted under the Highway Traffic Act in order to pay the double or triple times the cost that now is the case in Autopac and may yet become the case in the hands of the government. So I want to be sure that although normally highway traffic offences do not carry such heavy penalties that since they may carry very heavy penalties ancillary to the Act itself in relation to driving, in relation to insurance, that there has to be a proper method to review such decisions and therefore I would ask the Honourable, the Attorney-General to make sure that we have full information as to the impact. The impact on the retroactivity feature is probably a matter of some thirty days of trials. I believe that the appeal period is thirty days. I don't even remember that either, Mr. Speaker, but that's my impression and if it means that for the sake of saving to the Crown, costs or penalties, moneys, fines that were awarded for the last thirty days and to sacrifice that against the principle of the repugnance of retroactivity is something we should know about and I think that the Honourable, the Attorney-General should be ready to give us that kind of information. Let's find out. What is the value to the attorney-general of giving up the principle of repugnance of retroactivity, and let's find out what are the savings to the attorney-general's budget by eliminating the need to have a court reporter, and let's find out what could be the potential if once this law is passed, does that then mean that there will be a greater reduction of the use of court reporters than there has been up to now. Does that then mean that certain courts which traditionally or, that's not the word, traditionally, but customarily have had court reporters present will now withdraw them in the drive that the government has for reduction for expenditures?

I think that these are all matters that he may not be able to deal with on closing debate but I would expect that he certainly should be able to deal with that at the committee level and probably with the assistance of members of the staff who are more knowledgeable on the specific details of the matters which I have raised.

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

**MR. AXWORTHY:** Mr. Speaker, I won't take very long. I just wanted to raise a couple of concerns on this piece of legislation. I think to begin with there is the general concern that I am always a little wary of a piece of legislation that tries to legislate what might be already in practice if in fact it's a bad practice, and I think that that's something that would have to be given some assurance, that simply because time and expediency requires, it has led to the situation where many trials appealing the summary Acts do not have a court reporter. Simply, is that the proper way of procedure or is the solution to insure that there is proper record kept?

As a result, Mr. Speaker, I come at the legislation with some hesitation but perhaps would raise with the attorney-general again, a possibility that in his legislation or in amendment to it, he may want to reserve within it the right of request of the defendant to have a court reporter so that if there was to be an appeal then there would be record of it so that it could go to a proper appellate court and not have to repeat the trial all over again in another jurisdiction. It would seem to me that if there was that reservation that in circumstances where it was so requested one could ask for a court reporter where proper record could be kept, then I would suppose that in those instances it would be up to defence council to ascertain or determine whether in fact the trial would warrant, in his or her opinion, the use of a trial record. I would simply ask the attorney-general, Mr. Speaker, if he would consider that particular amendment or alteration to the general practice, and if so, then I think the legislation may be acceptable.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. GREEN:** Mr. Speaker, I want to assure the honourable minister that he is going to get his legislation passed tonight, that I won't do what Speaker Bilton once told me, that the rule was that I may speak for forty minutes not that I must speak for forty minutes although I have done that several times this session.

There is only one feature of the legislation already mentioned by the Member for St. Johns which I urge the attorney-general to reconsider. That is making it applicable to all cases that have been heard up until this time. The worse that can happen if you don't is that some people who happen to learn of

the legislation and fall within the thirty days, which time for appeal is allowed, will appeal and their convictions will be overruled and they will not have to pay the fine or do whatever was levied against them. I am not suggesting that people who have been guilty of a violation of the law should be released but on the other hand I think it's a dangerous precedent to retroactively change a person's rights under a quasi criminal law. These are laws which although they're Highway Traffic Act and fall within provincial jurisdiction and don't have a criminal record attached to them, they do bear penal consequences in cases where a person is fined and doesn't pay or in some cases the sentence can be a detention.

So I tell the honourable minister, yes, there will be some people who will escape what was a sentence. It can't be a great number of people; a great number of people will not utilize it. We had a law professor — I'm sorry the attorney-general is not here because he worked for him, his name was John Allen — who worked for the people of the province of Manitoba for many years, and he used to say better a hundred guilty men should be free than one innocent man should be wrongly incarcerated. Then he said, better for whom? I suggest to you that in this case we are not dealing with a serious situation and possibly it might be more serious to retroactively have a precedent which deals with this kind of thing rather than to start making it the situation now. In my practice, and this is before 1969, we always had a court reporter at what was then called Police Court or Provincial Magistrates Court, now Provincial Judges Court. We always had a court reporter. I don't know why that practice stopped. Nevertheless, I am not going to make a big issue of it. I am suggesting that that feature of the legislation could be considered.

**MR. SPEAKER:** The Honourable Attorney-General will be closing debate.

**MR. MERCIER:** Mr. Speaker, Sir, if I may point out once again, the practice that has been followed for the past number of years with respect to highway traffic contested court cases, is that where a defendant requested an appeal, he was apparently ordered or required by the county court to appeal by way of trial *de novo*. I am not sure as to how they actually implemented that but he was actually ordered or *de novo*, required to appeal by way of trial until this recent case by His Honour Judge Philp wherein he ruled, overturned the conviction because of the lack of a court reporter. The Honourable Member for Selkirk has indicated a concern for those appellants who must by virtue of the legislation appeal by way of trial *de novo*. That is in fact the practice that has gone on. I am not as concerned as he is about that particular aspect.

He is concerned about retroactivity. I too am concerned about retroactivity and expressed that concern when I enumerated a number of concerns over the Marital Property Act, and I don't know whether the Honourable Member for Selkirk will also express the same concern for retroactivity with respect to that legislation. But in any event, Mr. Speaker, the retroactivity really is only with respect to a person who wishes to appeal on a point of law and not someone who wishes to appeal by way of trial *de novo*. That method of appeal will still be open to any convicted person under the Highway Traffic Act so that the full right of appeal of a person is not restricted by the legislation which is before us.

The Honourable Member for St. Johns referred to the costs involved, I take it, if the attorney-general's department were to provide court reporters in traffic court. Since I too have not been in traffic court for a few years, perhaps not as long as the Member for St. Johns or the Member for Inkster, but there are many more traffic courts in operation now than when we were in active practice in this field. There are for example in the city of Winnipeg regularly scheduled traffic courts in the Public Safety Building, the Law Courts Building, Selkirk, Gimli, Steinbach, Beausejour and four night courts, and then in addition to that are all the additional courts outside of the city of Winnipeg in the western and Dauphin judicial district. So there are quite a large number of traffic court operations where court reporters are not used. The precise cost perhaps could be — I will attempt to obtain that from officials in the department when the bill is before the law amendments committee.

The Member for Fort Rouge wondered whether in fact this was a bad practice. We probably will be able to provide for him, I will attempt to provide for him, the number of actual cases that are dealt with on a average basis, Mr. Speaker, but with respect to the second part of his comment, it will still be open to counsel or any accused or counsel for any accused, at any time to request a court reporter if for any reason they should wish to have the evidence recorded. That again has been the practice for the past number of years where in general they have not been providing court reporters but in any case where a counsel or an accused has requested a reporter, a reporter is provided.

**MR. SPEAKER:** Order please. Does the Honourable Member for St. Johns have a question?

**MR. CHERNIACK:** I wonder if the Honourable Minister would permit a question at this stage. Thank you, Mr. Speaker, and I thank the Honourable Minister. He is speaking of the right of an accused to ask for a court reporter. Would that be a unilateral right on his part and one which the court must grant? Does he believe that is the law? If it isn't would he be prepared to put it into the law so that that right is a matter of right rather than a matter of the judge's discretion?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, it has not been a matter of a legal right' it has been a legal practice of the attorney-general's department to provide that wherever any counsel unilaterally asks for a court reporter. Consideration perhaps can be given to an amendment whereby that might be retained as a

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matter of right. Perhaps I could consult with officials in the department and discuss that matter further at the law amendments committee.

**QUESTION put, MOTION carried.**

**MR. SPEAKER:** Before we proceed any further I would like to bring the attention of the members to a problem that we have been having with the Hansard publications, and in particular the number 12 issue of Monday morning, December 5th, the 10:00 a.m. session. There are several pages in there that are completely scrambled, and I have asked the Queen's Printer to reprint that particular issue and that reprint will be delivered here tomorrow morning.

**MR. JORGENSEN:** Mr. Speaker, in the light of the hour, if it would not be a convenient time to call it 5:30.

**MR. SPEAKER:** Is that agreed?

**MR. JORGENSEN:** I might add, Mr. Speaker, I think we will be calling Bill No. 5 immediately at 8:00 o'clock.

**MR. SPEAKER:** The hour being 5:30, I'll be leaving the Chair to return again at 8:00 p.m. this evening.