

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 24, 1978

Time: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell) Before we proceed, I should like to draw the honourable members' attention to the gallery where we have 30 students of Grade 7 and 8 standing from Amaranth College. This school is located in the constituency of the Honourable Member for Ste. Rose.

We have 30 students of Grade 6 standing from George V School under the direction of Mr. Jaworski. This school is located in the constituency of the Honourable Member for Elmwood.

We have 30 students of Grade 9 standing from John Pritchard School under the direction of Mr. Sawatzky. This school is in the constituency of the Leader of the Opposition.

We have 35 students of Grade 6 standing from Madison Elementary School of North Dakota under Miss Sue Schosson.

On behalf of all the members, we welcome you here today.

Presenting Petitions.

READING AND RECEIVING PETITIONS

MR. CLERK The petition of the Wawanesa and District Memorial Hospital Association praying for the passing of An Act to amend An Act to incorporate Wawanesa and District Memorial Hospital.

MR. SPEAKER Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills.

BUSINESS OF THE HOUSE

MR. SPEAKER The Honourable Member for Inkster.

MR. SIDNEY GREEN Mr. Speaker, I would like to direct a question to the Honourable Government House Leader. Will the Minister without Portfolio responsible for the Manitoba Housing Corporation be the next Minister that appears before the Committee of the Whole House for the consideration of the Estimates in Room 254?

MR. SPEAKER The Honourable Government House Leader.

HON. WARNER H. JORGENSEN (Morris) Mr. Speaker, as my honourable friend knows, they have the right to determine what Minister will appear there and if it is the wish of my honourable friends that the Minister responsible for the Manitoba Housing and Renewal Corporation appear there tomorrow, Thursday, when it will be the next day that we will be considering Estimates, then I think he's prepared to appear. I think again that I should point out that it would be only that particular item on the Executive Council Estimates that would be considered.

MR. GREEN Well, Mr. Speaker, we have indicated that choice. I would like to discuss it with my honourable friend later in the day just to make sure that it can proceed in that way. I also discussed it with the Minister but I was concerned that he was the next one that we had given notice of.

ORAL QUESTIONS

MR. GREEN Mr. Speaker, I'd like to direct a question to the Minister of Labour. Mr. Speaker, I'll wait until the Minister of Labour returns to put my question since I know that she is here.

MR. SPEAKER Orders of the Day. The Honourable Member for Inkster.

MR. GREEN Mr. Speaker, I'd like to direct a question to the Minister of Labour. In view of the statement that the Minister indicated that she would not permit strikes to continue to the detriment of the economy of Manitoba, is the Minister considering legislation forcing employers to hire

at the rates that they are requesting because they have not been able to negotiate a collective agreement?

MR. SPEAKER The Honourable Minister of Labour.

HON. NORMA L. PRICE (Assiniboia) No, Mr. Speaker, we haven't.

MR. SPEAKER The Honourable Member for Selkirk.

MR. HOWARD PAWLEY Mr. Speaker, my question is to the Minister of Natural Resources. Could the Minister advise as to the criteria which was used in the obtaining of an auctioneer to auction the sale tomorrow in The Pas of heavy equipment belonging to Minago Contracting Limited?

MR. SPEAKER The Honourable Minister of Northern Affairs.

HON. KEN MacMASTER (Thompson) Is the question the method that was used in selecting the auctioneer? Is that the question?

MR. PAWLEY Mr. Speaker, my question to the Minister of Northern Affairs is, on what basis was it determined that an auctioneer from Calgary, Alberta would be the —(Interjection)— Toronto, would be responsible for auctioning the heavy equipment tomorrow in The Pas, equipment belonging to Minago?

MR. MacMASTER Mr. Speaker, the successful auctioneer was the one in question and presented the government with the greatest guarantee.

MR. PAWLEY Mr. Speaker, in view of the fact that the sale is one which indicates unreserved bids just as the MS Lord Selkirk was unreserved, could the Minister advise the House as to why and on what basis it was determined that the sale of the heavy equipment would be without reserve?

MR. MacMASTER Mr. Speaker, the guarantee that we have is somewhat in excess to the book value of the equipment which in fact is a guarantee.

MR. PAWLEY Would the Minister be prepared to table the various bids that were made by auctioneers, both in Manitoba and outside of Manitoba, pertaining to the sale tomorrow of the Minago equipment?

MR. MacMASTER I'll table the necessary documents once the transaction is through tomorrow.

MR. SPEAKER The Honourable Member for Lac du Bonnet.

MR. SAMUEL USKIW Mr. Speaker, would the Honourable Minister indicate to the House the nature of the guarantees that he refers to? Is the auctioneer prepared to guarantee that the results of the auction will be such as to be beyond the book value of the equipment?

MR. SPEAKER The Honourable Minister of Northern Affairs.

MR. MacMASTER Mr. Speaker, that's exactly what I said. We have a substantial guarantee and we're pleased with it, and I think when the total proceeds are through and the proceedings are through that the entire House will be pleased with it.

MR. SPEAKER The Honourable Member for Lac du Bonnet.

MR. USKIW Mr. Speaker, is the guarantee in the amount of \$1.5 million?

MR. MacMASTER Mr. Speaker, I have no idea where that particular figure ever came from, but the guarantee is not in that particular sum of money.

MR. USKIW Well, Mr. Speaker, would the Minister then explain to the House why it is that the auctioneer has an estimated value of \$1.5 million in his brochure catalogue?

MR. MacMASTER Well, Mr. Speaker, in this particular type of transaction the auctioneer gives a guarantee of X amount, and there's other relating facts to it over and above that. If what he is

saying in his brochure, that he is claiming that he can get that kind of money, and he is trying to, in his particular businesslike fashion entice people to come to the auction to look at equipment that he claims is worth \$1.5 million, I suppose the only route that we could look at is that it is false and misleading, but I am not prepared to say that at this particular moment.

MR. SPEAKER The Honourable Member for Brandon East.

MR. LEONARD S. EVANS Thank you, Mr. Speaker. I would like to address a question to the Minister without Portfolio responsible for the Manitoba Housing and Renewal Corporation. In light of the statement made today on CBC radio by the MLA for St. Matthews, can the Minister confirm that the government will be providing a subsidy for low income families in co-operation with the Federal Government, and if this is correct, how many housing units in Manitoba will be eligible for this subsidy program?

MR. SPEAKER The Honourable Minister of Housing.

HON. J. FRANK JOHNSTON (Sturgeon Creek) Mr. Speaker, I haven't had any conversation with the Member for St. Matthews, and I don't know what his statement was. I will ask him and try to answer the honourable member's question.

MR. EVANS Well, specifically, Mr. Speaker, irrespective of the statement made by the MLA for St. Matthews, can the Minister advise the House whether the government is prepared to go into a subsidy program for low income families in Manitoba this next year, in co-operation with CMHC, and if so how many units would be involved in that program?

MR. JOHNSTON Mr. Speaker, it just confuses me when the Honourable Member for Brandon East asks me if the provincial government is prepared to go into subsidy with CMHC for low income families, for they have been doing it for years. Now, the decision will be a policy decision of the government as to how many more we go into.

MR. EVANS Mr. Speaker, I'm not talking about the subsidy program through the Public Housing Program, I'm talking about a rental subsidy program, elements of which were announced by the Urban Affairs Minister, the Honourable Andre Ouellet, on May 5th, in Ottawa, and which has been discussed I believe with the Honourable Minister and with other Housing Ministers across Canada, a proposal for rental subsidies. This is apart from the Public Housing Program.

MR. JOHNSTON Mr. Speaker, the Ministers of Housing across Canada met in February of this year. My officials, with other officials of provinces across Canada, have met five times with the Federal Government. I have had one eight-page telegram on policy that came from the Federal Government. I've had an announcement from the Federal Government on the date the honourable member has mentioned and quite frankly, the Federal Government has got things in such a lousy mess at the present time, I doubt if we'll ever sort it out.

MR. SPEAKER The Honourable Minister of Northern Affairs.

MR. MacMASTER Mr. Speaker, in answer to a question from the Honourable Member for Rupertsland in relationship to whether in fact we had seen specifically Mr. Magnusson and Chief Harry Cook in relationship to the freight service. At our insistence, both gentlemen will be in my office in approximately 45 minutes to discuss the specific item that you were raising.

MR. SPEAKER The Honourable Member for Transcona.

MR. WILSON PARASIUK Mr. Speaker, my question is to the Minister responsible for Housing. In light of the fact that the Minister doesn't think the Federal Government will do anything with respect to public housing in Manitoba, will the Minister indicate then that the province is prepared to enter into the field of providing housing for those that need it in low-income categories or for senior citizens, seeing as how he's been saying that he's been waiting for the Federal Government to do something for the last two months?

MR. SPEAKER The Honourable Minister responsible for Housing.

MR. JOHNSTON Mr. Speaker, my reference to the Federal Government may be a little harsh in

this respect , but the Ministers across Canada are also asking to have a meeting with the Federal Government again to see if they can solve the problem. The Province of Manitoba is continually looking at problems of housing and my Estimates will be up tomorrow or whenever the other House Leader wants them to be up and I'll discuss it then.

MR. PARASIUK . Can the Minister indicate whether he thinks any action can be taken by the provincial level of government or by the federal and provincial levels of government in order to get some housing in place in this present construction season seeing as how we are entering into it right now?

MR. JOHNSTON At the present time, there's \$22 million worth of housing being constructed in the Province of Manitoba.

MR. PARASIUK Yes, in light of the fact that all of that was planned and put in place by the previous administration, can the Minister indicate whether his administration will take on any new housing projects in this fiscal construction year?

MR. JOHNSTON Mr. Speaker, on October 24th when we took office, the previous government had applied for \$7.1 million worth of housing and they had to have it all in by the November 30th to CMHC . If it hadn't been for the work of the people on this side, you wouldn't have had any more.

MR. SPEAKER The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM Thank you, Mr. Speaker. My question is to the Minister of Northern Affairs. I thank him for his previous answer with respect to the Bloodvein and Princess Harbour communities. I would like to ask him a different question with respect to the road right-of-way which is leading into the community of Norway House and which I believe his department is responsible for in terms of making the final arrangements regarding the transfer of land from the Norway House Band to the province for that right-of-way leading into the community, could he tell us what status that present arrangement is at at the present time?

MR. SPEAKER The Honourable Minister of Northern Affairs.

MR. MacMASTER The best that I can say at this particular time, Mr. Speaker, in total honesty is that we're negotiating with the people in question at Norway House. There has been a variety of problems relating to it and I think we're finally coming to some conclusions but it would take me longer than I wish to stand here to relate all the problems. I think we're going to have a very successful conclusion to it.

MR. BOSTROM A supplementary question to the same Minister and with respect to the unconditional grants which have been made available to communities and band councils as a per capita grant to each community, will these per capita grants of municipal nature be made this year and will they be at the same rate as last year?

MR. MacMASTER It's my understanding they will be, Mr. Speaker. I'll take it as notice. If there's any specific change I'll report to the House.

MR. BOSTROM A third question, Mr. Speaker, directed to the Minister of Education. I wonder if he could indicate if final approval has been given for the capital moneys required to build a high school at Norway House?

MR. SPEAKER The Honourable Minister of Education.

HON. KEITH A COSENS (Gimli) Mr. Speaker, it's my understanding that that approval has been received.

MR. SPEAKER The Honourable Member for Transcona.

MR. PARASIUK Thank you, Mr. Speaker, my question is to the Minister responsible for the Manitoba Housing and Renewal Corporation. Can he confirm that the 22 million public housing program which he spoke about earlier was in fact provided from 1977 funds?

MR. SPEAKER Order please. The Honourable Government House Leader on a point of order.

MR. JORGENSON At the outset of the proceedings today, it was asked when the Minister of Housing

was going to appear before the Committee. It was indicated that that would probably be tomorrow. Since that time, practically all of the questions have been related to that particular subject. It seems to me, Sir, that when the Estimates of a particular department are before this House that it doesn't necessarily preclude but it certainly precludes questions that could just as easily be asked on the Estimates. The questions that are being asked contain no urgency whatsoever at this stage of our proceedings.

MR. SPEAKER Order please. May I remind all members that the Question Period is for the use of the members and if there are long lengthy questions and long lengthy answers, we will not have too many questions asked during the definite time period. I trust every member will use the Question Period wisely and to the best advantage that he requires for the information he seeks.

The Honourable Member for Transcona.

MR. PARASIUK Thank you, Mr. Speaker. I assume then that the Member for Morris didn't have a point of order when he interrupted me and took up the time of the Question Period.

I'd like to repeat my question to the Minister of Housing. Can he confirm that the \$22 million public housing program is indeed utilizing 1977 funds?

MR. SPEAKER The Honourable Minister responsible for Housing.

MR. JOHNSTON Mr. Speaker, CMHC awarded or put forward to Manitoba \$32 million in funds for the period the honourable member is speaking of. The amount that the previous government had requested by October 24, 1977 is \$7.1 million.

MR. PARASIUK Mr. Speaker, seeing as how the Minister of Housing seems to have some trouble with his hearing, I'll repeat the question that I asked him before. Can the Minister, if he has any knowledge of it, please can he confirm whether the 22 million housing program which he in fact talked about earlier in this Question Period indeed is utilizing 1977 funds?

MR. JOHNSTON Yes, the Progressive Conservative Party worked hard and used what you didn't.

MR. PARASIUK Thank you, Mr. Speaker, I'm glad that the Minister of Housing has improved his hearing. Can he confirm that of that \$22 million all of it had preliminary paper work done on it by October 12, 1977?

MR. JOHNSTON The honourable member is quite correct — preliminary is right.

MR. SPEAKER The Honourable Minister of Health.

HON. L. R. (Bud) SHERMAN (Fort Garry) Mr. Speaker, yesterday I took as notice a question from the Honourable Member for Winnipeg Centre with respect to an incident at the Youth Centre in which \$6,000 damage was done and with respect to the circumstances surrounding it. I would advise the honourable member and the House that the person involved in the incident at the Youth Centre was one of two juveniles at that date who damaged part of the admission area including the breaking of windows and furniture. The incident took place on April 9th. The person in question reached his age of majority on April 19th, ten days after the incident. The court, in dealing with the incident, treated him as an adult and sentenced him to nine months in jail.

MR. SPEAKER The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY Mr. Speaker, I have some questions for the Minister of Consumer Affairs. I wonder if he would be in a position to tell the House whether he intends to detain the implementation or the decontrol program on rent controls as a consequence of the latest vacancy rate surveys that CMHC has released pointing out that the vacancy rate has now fallen from 1.9 to 1.6 as of April, 1978.

MR. SPEAKER The Honourable Minister of Consumer Affairs.

HON. EDWARD MCGILL (Brandon West) Mr. Speaker, I'm not in possession of the figures to which the member refers but at the present time there is no intention of varying the program as it was announced in the House some weeks ago.

MR. AXWORTHY Well, Mr. Speaker, I've asked the Minister if he would undertake to the House that when he gains possession of these figures indicating that there is virtually no supply of apartment

dwellings according to the April, 1978 survey, combined with the fact that the newly announced federal housing program will not be implemented for several months because of the discussions going on inside provincial circles now that there will not be sufficient supply of rental housing and that would be sufficient reason to detain or slow down the implementation of the decontrol program.

MR. SPEAKER The Honourable Minister of Consumer Affairs.

MR. MCGILL Mr. Speaker, we will accept all information pertaining to the available supply of rental accommodation in the province and in the City of Winnipeg. We are prepared to constantly look at the program as we have announced it but, again, I say at this time there is no intention to change in any way the program as it was announced. As the member will recall, within that program there is contained the mechanism and the monitoring system to provide for some control of any excessive rate increases that might be announced or applied by landlords whose suites have, as a result of the new policy, been taken out of the immediate guideline.

MR. SPEAKER The Honourable Member for Fort Rouge.

MR. AXWORTHY Mr. Speaker, the Minister's answer gives rise to several questions, but one would be, would he be prepared to organize some form of consultation or meeting between public officials, both provincial and municipal and federal, as well as people in the private building sector, to determine what the availability will be of apartment units in the forthcoming year and whether there will be any arrest of this particular shortage of supply as it appears to be imminent, and whether in fact the Rent Decontrol Program should be restrained until such a time as the supply of apartment units is sufficient to give some market force availability at that time. Could he undertake that kind of a meeting to assess what the supply will be and how it will impact upon apartment rents?

MR. SPEAKER The Honourable Minister of Consumer Affairs.

MR. MCGILL Mr. Speaker, I don't know what kind of innovation the member is suggesting but these kinds of meetings have been going on during the period of my responsibility in this office and will continue to be held. We are in touch with various interests involved in the supply and the use of rental accommodations and we will continue to retain those lines of communication and we welcome their input and their advice in this matter. We have used it in the past; we will continue to use it.

MR. SPEAKER The Honourable Member for Fort Rouge with a fourth question.

MR. AXWORTHY Yes, Mr. Speaker, it's just that the last Minister's question is somewhat confusing. If he has these lines of communication and touch, could he explain why he would not know about the fall-off in the rate of vacancies which has been available now for some weeks as a public document from Central Mortgage and Housing. If the lines of communication are available, should that information not be had and should he not be able to respond to it?

MR. SPEAKER The Honourable Minister of Consumer Affairs.

MR. MCGILL Well, Mr. Speaker, the vacancy rates and the assessments which the Member for Fort Rouge is now referring to, refers to a particular part of the market. Undoubtedly, that kind of information is coming to our department in a regular way and certainly it will become part of our general store of information on the market and in our determinations from time to time on the control programs.

MR. SPEAKER The Honourable Member for Churchill.

MR. JAY COWAN Thank you, Mr. Speaker. My question today is to the Minister of Renewable Resources. Can the Honourable Minister inform the House as to when the province began its fire patrol detection flights this year and specify what aircraft are being used and who is providing the service?

MR. SPEAKER The Honourable Minister of Northern Affairs.

MR. MacMASTER I'll have to take the question as notice, Mr. Speaker. It is fairly complicated but I can get it to you.

MR. COWAN Thank you, Mr. Speaker. Then I would ask the Minister at the same time if he would

undertake to find out what aircraft are currently being used in the fire suppression routine in the Snow Lake fire.

MR. MacMASTER I can tell the Member for Churchill, Mr. Speaker, that there are two water bombers involved, one of them being the Manitoba government's and another is a Canso that is on contract. There are two other lighter planes involved; there are four helicopters; there are approximately 150 to 160 men involved in the particular operation.

MR. SPEAKER The Honourable Member for Churchill.

MR. COWAN Thank you, Mr. Speaker. I thank the Minister for that answer. Can the Minister assure the House that the government's restraint programs will not adversely affect the fire detection and fire suppression services in activities in northern Manitoba this year?

MR. MacMASTER Absolutely, Mr. Speaker.

MR. SPEAKER The Honourable Member for Lac du Bonnet.

MR. USKIW Mr. Speaker, I would like to ask a question of either the Minister of Agriculture or the Minister of Finance with respect to the anticipated revenues under the Beef Income Assurance Plan for 1978. Has the government calculated the amount of revenues that they expect from that particular program this year?

MR. SPEAKER The Honourable Minister of Agriculture.

HON. JAMES E. DOWNEY (Arthur) No, we have not, Mr. Speaker.

MR. USKIW Mr. Speaker, would the Minister indicate what mechanisms are now in place or will be put in place to collect those revenues?

MR. DOWNEY Mr. Speaker, that is a matter of policy and when the time arises, it will be dealt with.

MR. SPEAKER The Honourable Member for Rupertsland.

MR. BOSTROM My question is to the Minister of Renewable Resources pertaining to his answers to the Member for Churchill. Can he confirm the report that several days went by in the particular fire in the case of Snow Lake area, before this fire was detected and action taken by the department?

MR. SPEAKER The Honourable Minister of Northern Affairs.

MR. MacMASTER Well, Mr. Speaker, I am pleased that the members opposite are showing concern for a very real problem in Manitoba, which is the forest fire business, and in particular the one in Snow Lake.

The fire itself started Saturday night during a lightning storm and people were out on the fire Sunday, and I was in Snow Lake myself on Monday. The people were working, I think, well and deserve a great deal of credit for containing a very serious fire.

MR. BOSTROM Well, Mr. Speaker, is the Minister saying that the fire is indeed being contained, because reports I have heard is that this fire is out of control, or has been out of control?

MR. MacMASTER I suppose, Mr. Speaker, a year ago you would have had a little better access to the information I have today, but the information I have is that they believe today that it is now reasonably within control and they are trying to mop up the bad spots that are around to tie right into it.

MR. BOSTROM A supplementary, Mr. Speaker. Could the Minister provide the House with a report as to how many acres were affected by this fire and an estimate of how much timber was destroyed in the process?

MR. MacMASTER Mr. Speaker, the best estimate that we can give at the particular moment is in the neighbourhood of 24,000 acres.

MR. SPEAKER The Honourable Member for Selkirk.

MR. PAWLEY Mr. Speaker, my question is to the Minister of Labour. Can the Minister of Labour

confirm that she or her department has issued a permit in order to permit Imperial Oil to store ammonia in the Town of Dauphin?

MR. SPEAKER The Honourable Minister of Labour.

MRS. PRICE Mr. Speaker, my department has been in touch with them. It has been a matter of the Imperial Oil finding a place to relocate. They expect to have one very shortly. We have been in touch with the Fire Chief. His main concern was safety and he has assured that the company is operating with safety standards.

MR. PAWLEY Mr. Speaker, a supplementary to the Minister of Labour. Is it not correct that the Fire Commissioner in Dauphin has protested the storage of the ammonia in the Town of Dauphin.

MRS. PRICE Well as I mentioned earlier there was a discussion with him. Our department has had dialogue with him as late as today and we have been talking to Imperial Oil and it is just a matter of a very short while until they are relocated. They couldn't find a space apparently that was satisfactory to both parties.

MR. PAWLEY Would the Minister of Labour be prepared to define in a short time or soon?

MR. SPEAKER The Honourable Minister of Labour.

MRS. PRICE Mr. Speaker, for the Member for Selkirk I will find that out and let you know tomorrow.

MR. SPEAKER The Honourable Member for Transcona.

MR. PARASIUK My question is to the Minister of Consumer Affairs. Does the Minister plan any legislation or administrative action to ensure that Mr. and Mrs. Sedon get back the \$2,000 plus that they lost when a tour company went bankrupt?

MR. SPEAKER The Honourable Minister of Consumer Affairs.

MR. MCGILL Mr. Speaker, if the Member for Transcona is referring to an action that took place some weeks ago, there has been no change in the legislation up to this point that would have an effect upon that particular incident. The kind of thing that happens is relatively rare but I understand, Mr. Speaker, that the industry itself is considering this matter as it reflects on the travel agents generally. They are, I am advised, giving this matter some consideration as to how this can be prevented from reoccurring.

MR. PARASIUK A supplementary, Mr. Speaker. Does the Minister know whether the travel agencies or the tour companies themselves will undertake to make up Mrs. Sedon's loss?

MR. MCGILL Mr. Speaker, as Minister of Consumer Affairs it is not my responsibility to speak on behalf of the travel agents of Manitoba.

MR. PARASIUK A final supplementary. In the light of the fact that this situation arose not weeks ago but months ago and that Mr. and Mrs. Sedon are out \$2,000, does the Minister plan to introduce legislation or make administrative changes which will prevent this situation happening again. Although it has only happened once here, it has happened often in other parts of Canada.

MR. MCGILL Well, Mr. Speaker, when any legislative change or any policy with respect to this matter is determined it will be announced.

MR. SPEAKER The Honourable Member for Selkirk.

MR. PAWLEY Mr. Speaker, I wonder if I could direct this question to the Minister without Portfolio responsible for the Task Force. Is the Minister prepared now to provide me with an answer to the question which he took as notice on April 3, 1978, re lawyers before the Law Amendments Committee?

MR. SPEAKER The Honourable Minister responsible for the Task Force.

HON. SIDNEY SPIVAK (River Heights) Mr. Speaker, the honourable member asked that question

of me yesterday when the Ministerial Salary was before the Committee on Estimates and the answer was given at that time, and I have nothing, Mr. Speaker, to add to the answer that was given.

MR. PAWLEY Mr. Speaker, would the Minister confirm that he did not know the answer last night and was going to further pursue the information?

MR. SPIVAK Mr. Speaker, I indicated that I would examine it and I am still prepared to do that, but I have really nothing to add to the information that was presented in the Estimates before the Committee yesterday.

MR. SPEAKER The Honourable Minister responsible for Housing.

MR. JOHNSTON Mr. Speaker, I would like to reply in part to a question that the Honourable Member for Winnipeg Centre asked me yesterday, and that is that the staff at 185 Smith Street has not changed at all, and that the further report regarding the unfortunate situation we don't have as yet from the Coroner and I will let you know at that time. . .

ORDERS OF THE DAY

GOVERNMENT BILLS — SECOND READING

MR. SPEAKER The Honourable Government House Leader.

MR. JORGENSON Mr. Speaker, will you call Bill 23 and 24 standing in the name of the Minister of Consumer and Corporate Affairs.

BILL NO. 23 — AN ACT TO AMEND THE SECURITIES ACT

MR. MCGILL presented Bill No. 23, An Act to amend The Securities Act, for second reading.

MOTION presented.

MR. SPEAKER The Honourable Minister of Consumer Affairs.

MR. MCGILL Mr. Speaker, in presenting this explanation to the House, I am mindful of the rules of the Chamber at second reading that requires that matters contained in bills be dealt with in principle and that we refrain from referring to particular sections. It is rather difficult, Mr. Speaker, to remain within the rules when we are dealing with an Act to amend The Securities Act, which contains six separate amendments to the original Act and really needs to be explained section by section.

However, Mr. Speaker, I will attempt to remain within the guidelines as they are now established.

In the first part of the Act we are dealing with an amendment that is rather complex and unfortunately will not be easily followed by anyone who is not familiar with the Act itself. The part of the original Act which deals with takeover bids suggests that takeover bids are of two kinds.

MR. SPEAKER Order, order please May I suggest to the honourable members that if they want to carry on private conversations that it be done elsewhere. The Honourable Minister of Consumer Affairs.

MR. MCGILL Mr. Speaker, takeover bids are of two kinds. They are cash offers where someone simply offers to buy the shares for cash and share exchange offers where the company making the bid offers shares in itself for the shares in the company it is trying to acquire. Thus the share exchange takeover bid involves an offer to the public by the company making the bid of its own shares. Such an offer normally requires to be made by a prospectus. A prospectus must be filed with the commission and pre-cleared by it before it is used. This takes, at a minimum, two or three weeks. But takeover bids have to be made promptly and the intention to make a bid often has to be kept secret until the last possible moment. For this reason, although the Act requires a share exchange takeover bid to contain all the information required in a prospectus, it allows it to be sent out without being pre-cleared by the commission.

A few special types of takeover bids are exempted under this part of the Act and these are:

- 1) Offers to purchase shares from less than 15 shareholders.

- 2) Offers to purchase shares in a private company.
- 3) Offers made through a stock exchange.
- 4) Offers exempted by the commission.

These are defined in the Act as exempt offers and the way they have been exempted is by specifically excluding exempt offers from the definition of takeover bids. While this works admirably in this part of the Act, the result is that the prospectus exemption given to takeover bids does not apply to exempt offers. If things were left like that, any exempt offer that involved a share exchange as opposed to a cash payment would require the filing of a prospectus. Of course, things have not been left like that and in one clause and sub-section amending bill will fill this gap. But at present it applies only to an offer made to less than 15 shareholders and an offer to purchase shares in a private company.

It will be noted that this covers the first two types of exempt offer but not the third and fourth. The third, an offer made through a stock exchange, can only be a cash offer, so that this is immaterial but the fourth, an offer exempted by the commission, can be either a cash offer or a share exchange offer. The result is that whenever the commission grants an exemption for a share exchange takeover bid, it has to issue the second order waiving the requirement for filing a prospectus in advance and this, Mr. Speaker, just wastes time and paper. The proposed amendment will change this clause so that it will apply to all exempt offers.

In another part of the bill, there is a counterpart to the section proposed to be added to the Real Estate Brokers Act and this section is to resolve conflicts and duplications between the two Acts. And I suggest, Mr. Speaker, that we might explain that particular amendment more fully when we deal with the Real Estate Brokers Act.

The next part of the Act, the bill adds another category of exempt offer, the purpose of which is to eliminate some largely useless paper work and save expense both to the industry and to government.

It is of course by no means unusual for residents of Manitoba to invest some of their money in buying shares of companies incorporated abroad, usually in the United States but also sometimes in Britain and elsewhere. From time to time a foreign company in which a Manitoba resident has thus bought shares is subject to a takeover bid, which is made in the foreign country but is addressed to all shareholders. Naturally, the foreign legislation governing takeover bids is very rarely the same as ours, with the result that the offer frequently does not comply with our Act. Our Act is the same as those of most other Canadian provinces in this respect and if the company has a significant number of Canadian shareholders then the offer will usually be framed so as to comply with the Canadian legislation. But if this is not the case the present situation means that the company making the offer must either:

- 1) Apply to the commission for an exempting order, or
- 2) Leave the Manitoba shareholders out of the offer, or
- 3) Ignore our law and make the offer to the Manitoba shareholders anyway.

Obviously, we should not encourage the third of these courses, and the second of them is liable to result in the Manitoba shareholders losing an opportunity to make a profit, but at present the first can have ridiculous effects. In one case, there was one Manitoba shareholder out of several thousand holding 75 shares out of a total of more than 2 million. In a case like this the commission invariably grants the exemption. This means the whole exercise is a waste of time and money. The sensible course is to exempt such offers from our Act. The only real question is where to draw the line. The amendment proposes to draw it at five shareholders or less owning 1 percent or less of the shares.

These figures may seem to be very low, but in practice it is almost a certainty that if 1 percent of the shares of an American company are owned in Manitoba, there will be about 10 percent or more owned in Canada as a whole and at that level it is economic to make the offer comply with Canadian legislations.

The proposed amendment is of course an added reason why the amendment proposed in this bill is required.

The next amendment proposes an addition to the rules governing a so-called issuer bid. That is to say an offer by a company to purchase its own shares. Changes made in corporation law in the last few years have made such offers possible and they are now becoming more frequent. Unfortunately, some of these offers have aroused considerable criticism. If there is a majority shareholder and the public own less than half the outstanding shares, a successful offer made to them will result in the majority shareholder increasing his proportionate stake in the company. Consequently, if the minority public shareholders can be persuaded to sell their shares at less than

their true value, the majority shareholder will profit at their expense and of course the majority shareholder controls the company and thus determines the amount of the offer.

As a result, the Ontario Securities Commission recently issued a policy statement laying down some rules for issuer bids. Frankly, we doubt whether these rules are legally enforceable when they are contained only in a commission policy statement. We believe legislation is necessary or, at the very least, desirable and this amendment, which will impose similar rules, is that legislation.

The next amendment amends a part of the definition of corporation in the present Act which deals with insider trading. If a company falls within this definition, its insiders must file Insider Trading Reports. The one part of this definition being amended specifies which Manitoba companies are corporations for this purpose. The present clause was enacted in 1976, and on close inspection it appears to have some technical defects. For one thing, it could include co-operatives, which was never intended. The object of the amendment is simply to cure these defects.

Another amendment concerns the definition of corporation in the Act, and also includes in addition to some Manitoba companies, (1) any company whose shares are listed on the Winnipeg Exchange, and (2) any company that has ever filed a prospectus for voting common shares with the Commission. Obviously this last category includes a very large number of companies, and the number grows larger every year. This part of the Act requires that all the insiders of all of them must file insider reports, and the commission found that it was collecting an immense number of insider reports, which no one ever wanted to look at. In practice, the only inquiries about insider trading that have been received have related either to Manitoba companies or to companies listed on the Winnipeg Exchange. One of the principle reasons for this is that with negligible exceptions, insider reports containing exactly the same information are being filed with the Ontario Securities Commission, as well as with several other Commissions, and Toronto is the logical place at which to pursue any inquiries. For several years therefore the Commission has been granting exemptions from insider reporting from companies which have no local connection with Manitoba, and for which reports are also filed elsewhere. This policy has not succeeded in cutting down the number of reports filed as much as we had hoped, for the rather surprising reason that many companies have not applied for these exemptions, and at present the Commission can grant an exemption only in response to an application for it.

By striking out from the section concerned the words, "Upon the application of an interested person or company " this amendment will remove the need for an application and enable the commission to grant these exemptions on its own initiative. This of course will only be done if the reports in question are also being filed with another commission from whom we can obtain copies if we ever need them.

Thank you.

MR. SPEAKER The Honourable Member for St. Johns.

MR. SAUL CHERNIACK Mr. Speaker, firstly in reading or attempting to understand Bill No. 23, and then listening to the Minister present the bill for second reading, I couldn't help but comment about the tangled web we weave in attempting to work within the free enterprise system, and note how government is constantly stepping in and encroaching on the free rights of people to deal exclusively and apart from government intervention. Here we have the Conservative Party bringing in more legislation involving government review and government control and government overview of the private operations of private corporations dealing with ownership of shares privately, and protecting what appears to be the minority people who are subject to the abuse of this great free enterprise system which is so highly touted by the Conservative Party.

Mr. Speaker, when I studied law some many years ago — I would say 40 years ago and more — I remember being taught that a joint stock company was created for the purpose of sharing the risk and limiting the risk, but the lawyers and the accountants and the tax law makers made it advisable to become more and more involved in the development of joint stock companies to the extent where you could make use of the mechanisms established in the olden days for furthering the personal ends and the desires and objectives of individuals who started to deal with others as co-owners of shares in a company and found it advantageous to try to take advantage each of the other. And now we're very deeply involved with all the consequences of efforts being made by various people to use their ownership of shares to their advantage. It means therefore that government, and even the Conservative "Free Manitoba" Government is still involved; rather than wipe out the Securities Act legislation, they are indeed polishing it and improving it, and are concerned that it become more and more effective for the protection of the minority shareholder, and so it should be. I just can't help but being amused by what I consider to be a conflict in principle but

certainly not in practice.

I think that the Conservative Government is one most likely to be concerned to protect the property rights of the people that they are legislating with, and therefore would have to be involved in this kind of a measure. But philosophically, I should think it is contrary to their beliefs.

The legislation itself is very complicated, and I would expect that Mr. Cantlie will be available at Law Amendments to explain all the ramifications. I would be even more interested to know who, other than the Securities Board itself, is attempting to bring this legislation forward. Are there people involved in the field of stock companies and brokerage firms, people who own shares, that are pressing for changes, or opposing changes that are proposed here, or is it all a development out of the Securities Commission itself, and proposed to the Minister and thus to the Legislature as a result of the Securities Commission work? I think it is important, and I would like to think that this bill will receive sufficient publicity so that parties affected by the proposed changes will come to Law Amendments and present their points of view.

One other point, Mr. Speaker, is that it has always seemed to me somewhat peculiar that a province like Manitoba with one million people should have its own Securities Commission side-by-side with that of Ontario which has a Securities Commission and other provinces which have a Securities Commission, and in the common law provinces many of these Securities Commissions operate under very similar laws. I think it might be a great contribution that the present Minister could make if he could work out some sort of — not just co-operation, which I assume does exist — but actually the elimination of a couple of boards and a joint board that could be given the responsibility of doing the work on behalf of the various provincial jurisdictions which have similar laws. I can see a problem in relation to the locale of the operations, but it could be a travelling commission or usually involves sufficiently important monetary concerns that would justify people going to the place where the commission sits, and thus make it unnecessary to have duplicate bodies within each of the jurisdictions.

I would think that maybe the government ought to establish a Task Force on Organizations and get involved in seeing how the government can be improved in terms of all the duplicating offices and the people who do duplicating work across the provinces — let's say the western provinces or Ontario and Manitoba, and leave out B.C. if one feels that the mountains are too great a barrier between it and the rest of Canada. But seriously, to see the extent to which there can be savings if one gives up the feeling of the need for autonomous boards but rather seek methods by which one can reduce costs by having joint boards dealing with similar matters and thus obviate the necessity to have separate institutions.

That might be something worthy of consideration, much more so than much of the exercise that was carried out by the Task Force we last heard of, which had a different role altogether and that was to do its best to justify the campaign speeches made by the Conservative Party before the last election.

QUESTION put, MOTION carried.

BILL NO. 24, AN ACT TO AMEND THE REAL ESTATE BROKERS ACT

MR. MCGILL presented Bill No. 24, An Act to amend The Real Estate Brokers Act, for second reading.

MOTION presented.\$

MR. SPEAKER The Honourable Minister of Consumer Affairs.

MR. MCGILL Mr. Speaker, this bill makes a number of separate and distinct amendments to The Real Estate Brokers Act and I will attempt to explain each one separately in turn.

Until 1976 the Act was administered by the Public Utilities Board. In that year the administration of the Act was transferred to the Commission. The word "board" appeared in numerous places in the Act and the amending Act of 1976 should have changed it to "commission" throughout. Regrettably, this was missed in four places — three mentioned in this part of the Act and also in the succeeding part of the Act.

An amendment to add that clause to this section will be proposed when the bill is in committee.

Most sales of single family residences made through brokers have to be made on a form of offer prescribed by the regulations, which requires that the deposit be paid to the broker. He then has to hold it in his trust account. The Act sets out four exemptions or exceptions in which the

prescribed form does not have to be used. As a result, the vendor could use a form under which the deposit has to be paid directly to him, which could put the purchaser at a disadvantage, and the four situations are:

- a) An offer prepared for that particular sale by a lawyer.
- b) A sale by a central mortgage and housing corporation.
- c) A sale of a lot coupled with a contract to build a house on it.
- d) A sale of a house under construction.

It is not felt that there is any danger to the deposit in the first two of these, but there could be in the last two if the deposit is paid directly to the vendor, who of course is the builder. The proposed amendment, therefore, requires that in these two cases the deposit must be paid to a registered broker. Hence, it will go into his trust account.

Another part of the Act sets out the points that must be included in every offer obtained by a broker or his employees. Rather surprisingly, the name of the broker is not among them. Usually, of course, the broker takes great care to ensure that his name does appear but just occasionally he may for some reason want to conceal his identity. This is undesirable and the object of the amendment is to prevent it.

The next amendment concerns an interval, usually of some months, between the time an offer to purchase is accepted and the time the sale is completed. During this time the deposit, if held by the broker, is held in his trust account. Brokers are required to be registered in order to negotiate sales, with the result that if a broker's registration lapses he must then stop negotiating any more sales. This means that no money will thereafter come into his trust account but it may be two or three months, or occasionally longer, before all the money in it can be paid out. During this time he is not required to be registered and therefore is not required to be bonded, with the result that the money still in his trust account does not have the usual protection.

There is a continuous turnover in the industry so that several small brokers go out of business every year. Thus, this is a continuing problem which has been a cause of concern for some time. The commission has concluded that the best and indeed the only solution is that if a broker's registration lapses while he still has money in his trust account, the trust account should be frozen so that all withdrawals from it would have to be approved by the registrar or by some other person chosen by the commission, who might be the broker's own auditor.

There is already a power to freeze the broker's bank accounts under Section 35, but this is only applicable where some wrongdoing is suspected. The situation under discussion does not involve any wrongdoing but only that the usual safeguards against wrongdoing, which result from registration and bonding, are not in place. A special provision to authorize the freezing of the trust account in these circumstances is therefore required and Section 5 of the bill provides it by adding three subsections to Section 26 of the Act which governs brokers' trust accounts.

The next amendment adds a section which will empower the commission in certain circumstances to order a registrant to pay the costs of an investigation and hearing into his conduct. The new section is copied from another section of the Securities Act and is explained in the memorandum of the bill to amend The Mortgage Brokers and Mortgage Dealers Act, where an exactly similar amendment is proposed.

In another part of the Act there is a so-called "isolated" trade exemption. Its effect is two-fold. First, it enables an owner of real estate to sell it himself without using a broker and, second, it also enables someone who is not a registered broker to assist the owner to sell it, provided he is not paid for so-doing. This amendment relates to the second aspect of the exemption. Assisting an owner to sell real estate is, of course, the service performed by a broker. This is why the exemption applies only if no payment is made for the assistance. Otherwise, the exemption would enable people to carry on business as brokers without being registered. So long as the assistance has to be given gratuitously, however, it is impossible for anyone to make a business of it.

There was a recent instance when someone provided such assistance and was to be paid for it, but as a result of a complaint, the commission moved in to investigate ' before the payment was actually made. A prosecution was commenced but it had to be withdrawn because the exemption applies if no commission or other remuneration is paid and as yet, none had been. The result is that a wrongdoer can escape purely as a result of the promptness of the Commission's action. To prevent a repetition of this, this amendment will change the proviso to read: "If no commission or other remuneration is paid or agreed to be paid."

Another amendment concerns that of an amendment which was made to The Income Tax Act a few years ago to give more favorable tax treatment to investments in rental housing. These investments are commonly called tax shelters' and public offerings of them have become extremely popular. As a rule, they take the form of interests in a syndicate, a partnership or trust which owns

the property, usually an apartment block or a townhouse development. The membership or unit in such a syndicate, partnership or trust is a security and these offerings, therefore, fall under The Securities Act, but since the only asset of the syndicate, partnership or trust is the block or development, there is no doubt that each investor also acquires an equitable, undivided interest in the block or development. This is an interest in real estate and the sale of these units is therefore also subject to The Real Estate Brokers Act. If both Acts are treated as applying to these tax shelters, the sale of them to the public will become practically impossible. In practice, this impasse has been avoided by treating The Securities Act as overriding or displacing The Real Estate Brokers Act so that compliance with the former only has been required. There is, however, no statutory authority for this treatment so that the validity of the practice is questionable and furthermore, these tax shelters have many individual variations and in some instances it might make more sense to treat them as being governed by The Real Estate Brokers Act and not The Securities Act.

To head off possible trouble from this overlapping of the two Acts, some way of resolving the conflict is required and the proposed new amendment will provide it. Since this will authorize the Commission to exempt the offerings from either one of the Acts, this section will also be reproduced in The Securities Act, a power to exempt from an Act should be contained in an Act concerned, not in some other Act. Thank you, Mr. Speaker.

MR. SPEAKER The Honourable Member for St. Johns.

MR. CHERNIACK Mr. Speaker, I read the bill in a cursory fashion and I did not do a full amount of homework on this so I intend to pass the onus onto the Minister if I can. Firstly, I might say that certain features of — Well, I think all of the features of this bill are good. I think the freezing of the trust account is important. Some of the other clauses take care of other important principles, but I raise the concern that I also raised when we debated The Mortgage Brokers Act. The Mortgage Brokers Act, as I recall it, which has passed Second Reading, I believe — I am sure — was similar in regard to the costs of an investigation being imposed on a registrant. At that time, I questioned whether or not there was adequate provision for appeal of a decision of the Commission. As I recall it, I was informed that the appeal provisions, I think, are supposed to be in The Securities Commissions Act. But, again, Mr. Speaker, I raise the point under this bill. I know that under The Real Estate Brokers Act, the Commission referred to in the Act is indeed the Manitoba Securities Commission, but a hasty review of The Real Estate Brokers Act does not show me that the jurisdiction of the Commission, nor the limitation placed on it by way of an appeal from its decisions, is part of the responsibility given to it under The Real Estate Brokers Act. In other words, I have not traced through the legislation to make sure that any decision made by the Commission under The Real Estate Brokers Act indeed carries with it the appeal provisions that may exist in The Securities Act.

Mr. Speaker, I have to tell you that the Book of Statutes which includes The Securities Act, has disappeared apparently from this Chamber and rather than blame the Minister of Public Works who no doubt is responsible for everything that goes on in this building, I just comment that I had no opportunity to review The Securities Act today and therefore, as I said earlier, I want to pass the onus on to the Minister to make sure that there is proper appeal provisions. I am doing that on the assumption, which I think is correct, that the Minister is as interested as anyone to make certain that a decision made by the Commission as to the costs of an investigation and imposing a judgment of this kind as proposed in the present bill, has proper provision made for appeal of that decision and a review by another body which may reverse what it may consider a wrong, unjust or arbitrary decision on the part of the Commission.

Since I can't say with any certainty that there is or is not this provision for appeal, I would like to ask the Minister if he will accept the responsibility of making sure that it is there and if it is not there, making sure that it goes in there, unless he disagrees with me, in which case I hope he will so indicate.

MR. SPEAKER The Honourable Minister of Consumer Affairs will be closing debate.

MR. MCGILL Mr. Speaker, I move, seconded by the Honourable the Minister of Highways that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER The Honourable Government House Leader.

MR. JORGENSON Mr. Speaker, will you call Bill o. 22 and then Bill No. 14.

BILL NO. 22 - AN ACT TO AMEND THE JURY ACT

MR. SPEAKER Bill (No. 22), on the Proposed Motion of the Attorney-General, An Act to amend The Jury Act. The Honourable Member for Selkirk.

MR. PAWLEY Mr. Speaker, I would like to offer a few words in connection with the bill presently before us. Two major areas of amendment, one deals with the question of personal service and the need of permitting personal service to be substituted by way of registered mail and the Minister, through the legislation, has provided assurance that there will be no penalty in the event of the failure for one to show up who has been served by registered mail rather than by a personal service, so that I believe that that amendment is one which is practical and is one that should provide economy to the criminal justice system without any significant difficulties or problems. I commend the Minister in connection with that amendment.

Secondly, the provision provides for the possible increase in jury fees and provides for some flexibility as to determination of the increase in jury fees. As I understand the Minister's comments, the bill will provide for some opportunities in which the jury fees can be increased, short of a universal increase in jury fees. We would be interested of course to know from the Minister in what circumstances he foresees some jury fees being increased as this point. I assume that it is based upon distance and inconvenience, time consumed in one being able to attend to one's jury duties.

Mr. Speaker, I do say this, however, that I do feel that the time has arrived when society will need to recognize the fact that those citizens within society that are prepared to do their duty and whether it is to provide evidence in a trial as good citizens, or as to provide their time in order to act as members of a jury, that those citizens ought to be properly and adequately compensated. I know it is far too often that one does run into conversations with various citizens who are disappointed, disgruntled and somewhat bitter at the criminal justice system because they have contributed hours of their time towards the criminal justice system, they feel, at substantial loss to themselves. I suppose to some in society, that would create no particular problem but insofar as the average working man, it can create a serious problem financially for the working man to deal with.

The Jury Act now, I know that it is possible, for instance, for those who operate dairies to receive exemption from jury duty and for others from time to time, at request, but I do feel that it is past due that some fairer form of compensation should be provided to those who contribute as members of society towards their responsibilities as members of juries. I am somewhat disappointed, Mr. Speaker, that the government has not taken a stronger stand at this time in connection with that important responsibility, to provide for more of an overall increase insofar as per diems as concerned. They are now overdue; they should have been increased in the past and I do think now that we have opened up The Jury Act in that connection, that some firmer commitment should be made on the part of the government towards an increase in the fees for jury members.

So we will be interested in discussing and exploring that area further with the Attorney-General.

I would also be interested in exploring with the Attorney-General, other recommendations which were proposed in the Law Reform Commission report of some two years ago in connection with improvements to the jury system in Manitoba as to those recommendations that the Attorney-General deems fit and reasonable and those that he does not intend to proceed with. I suppose during Estimates might be a better time to share that discussion with him than during committee reading of this bill.

So with those few comments, Mr. Speaker, I would certainly be prepared to support the bill that the Attorney-General has introduced, and look forward to more specific clause-by-clause discussion in committee.

QUESTION put, MOTION carried.

BILL NO. 14 - AN ACT TO AMEND THE INCOME TAX ACT (MANITOBA)

MR. SPEAKER Bill (No. 14) - An Act to amend The Income Tax Act. The Honourable Member

for Burrows.

MR. BEN HANUSCHAK Mr. Speaker, about a week or so ago, my colleague, the Honourable Member for Inkster, in speaking to a bill in this House, made reference to the purpose of that bill as being an attempt by the government to pay a political debt. Mr. Speaker, I would like to suggest to you that here is a further example of the government paying off a political IOU which came into being during the last election campaign and it is quite obvious, Mr. Spekaer, that I must have touched a sore spot with the Honourable Minister of Public Works when we can tell by the response that within a matter of less than a minute, Mr. Speaker, I would say about thirty seconds, no more than forty-five, and we get a response from him. I do hope, Mr. Speaker, that at some point during the debate of this bill, that the Honourable Minister of Public Works will get up to defend this piece of legislation. I know he will find it difficult, I know he will, but I hope he will try. I hope he will try to defend it.

MR. ENNS What bill?

MR. HANUSCHAK The Income Tax Bill. Well, Mr. Speaker, I should not have assisted the Honourable Minister in that fashion; I should have let his question remain, then he would have had to read Hansard and he would have seen, if his interjection would have been reported, and that I don't know because I have no control over the publication of Hansard, and then he would have been able to determine where his interjection was made and to what bill it was related.

Not only, Mr. Speaker, is this an attempt to pay a political IOU to the supporters of the Tory Party, and you know, it is quite obvious because it is on a percentage basis. You know, 2 percent of the Federal tax at the \$40,000 or \$50,000 taxable income level is much more than 2 percent of the Federal tax at the \$3,000 or \$4,000 taxable income level. We know who the government's friends are, so to those whose taxable income is in the upper brackets, then there is no question that the benefits would be quite significant.

In addition to that, Mr. Speaker, I think it is equally apparent that this is a device that the government, by means of this bill, that the government party organizers are using and will continue to be using, as a means to solicit party funds to build up the party coffers, Mr. Speaker. And it works very simply and this is the way it works. I suppose the party would like to have something in the order of an annual income of about three-quarters of a million dollars to do the type of propaganda, publicity work that it feels that it should do. But even with three-quarters of a million dollars, it can run a pretty fair publicity campaign and a propaganda campaign. So, Mr. Speaker, I suppose that Mrs. Trueman, the President of the party said, well, if we could get 5,000 supporters, 100 per riding on the average, who would throw in \$150.00 apiece, that would give us three-quarters of a million dollars.

Now, how could we raise that money, at no cost to the contributor? Well, the answer is very simple, Mr. Speaker. The party will suggest to the 5,000 contributors that, you give us 1 percent of your taxable income; give 1 percent of the taxable income to the party and under the existing federal legislation, there is a tax credit that is already built in there, that a certain percentage of the contribution to a political party which you can deduct from the federal tax owing and payable and then leaving a balance which the party supporter pays out of his own pocket. So then the party says to the potential contributor, now, to ease that burden, what we will do is reduce the provincial tax to offset the amount that you have to pay out of your own pocket.\$

For example, Mr. Speaker, let's look at the . . .

MR. ORCHARD I wonder if the honourable member would yield to a question.

MR. SPEAKER Would the honourable member submit to a question?

MR. HANUSCHAK If I have time, when I am through with my remarks, I would be happy to. When I extended the invitation to the Honourable Minister of Public Works to join in the debate, I would also hope that the Honourable Member for Pembina would also make his contribution to the debate, either by way of question, if there is time, or he could take the full 40 minutes, which every member of the House is entitled to, and state his views.

So, Mr. Speaker, let's look at the person having a taxable income of \$5,000 a year. The party organizers, the party bagmen, say to him, give us 1 percent, that's \$50.00. You can deduct \$37.50 from your income tax, leaving a balance of \$12.50 which you have to dish out of your own pocket. Now, to ease the burden, the pain of doing that, we'll give you a 2 percent break on your provincial

tax. Two percent of the federal tax on a \$5,000 taxable income is something in the order of \$445.00 or so. —(Interjection)— Yes, \$800.00, I'm sorry. The Honourable Member for Pembina . . . Of course, I wouldn't know. Two percent of \$800.00 is \$16.00. So, really, the party bagman says, in fact, you could end up being \$3.50 to the good by supporting us, make it possible to bring in this type of legislation for your benefit and you have supported the party and in addition to that, you still end up a few dollars to the good.

And so it goes, Mr. Speaker. You look at the person whose taxable income is \$10,000; he contributes 1 percent and he gets under the federal law a credit of \$75.00, leaving a balance of \$25.00 that he has to dish out of his own pocket. Again, the party bagman says, look, you have elected us, we're going to bring in a bill to ease the provincial tax burden on you. Two percent of the federal tax that you have to pay on \$10,000, is \$36.00, so again, you end up \$11.000 to the good. And so it goes.

Well, if you look at the \$50,000 or \$55,000 a year man, he can contribute his 1 percent and with the federal tax credit and the 2 percent rebate from the province, that takes care of his political contribution. And in that fashion, Mr. Speaker, the Minister of Finance is able to settle his IOU with those to whom he considered himself to have been indebted, or that caused the indebtedness at election time and considers himself to remain to be indebted for the duration of his term of office and on whose support he is hoping to rely on for re-election come the next election campaign.

So it is very clear; it is very obvious that one seems to match the other, that the reduction in provincial tax seems to square with the budget of your party, with the financial requirements of your party and one just dovetails with the other, Mr. Speaker, and, of course, not to mention the other giveaways that we have seen occur. —(Interjection)— Now, the Honourable Member for Pembina wants to know, like what? Well, like the M. S. Lord Selkirk is one example, you know, giving it away for \$250,000; like Manitoba Moods which the Minister is in the process of giving away at the present time, with a subscription list, you know, a beautiful magazine for some publisher to pick up, you know, with a list of subscribers of 30,000 or 40,000. Another payoff of a political debt, of an election debt.

As the agreement for the condominium development in the Whiteshell, another form of a payoff, and so it goes. Goodness knows, Mr. Speaker, how many more of those horror stories will be unfolded by those Ministers, by that government, as this session continues and as the next session or two or three or whatever number more will follow preceding the next election.

But, Mr. Speaker, what does this bill do for the majority of the Manitobans? So they've taken care of a small minority, a small minority, not even all of those that have supported them, not even all of those that have supported them because I doubt very much, Mr. Speaker, when the Minister introduced this bill that there was dancing in the streets in the constituency of Wolseley or in the constituency of St. Matthews —(Interjection)— Perhaps so, that's about all they could afford to dance in in his riding and that's about all they'll be able to afford to dance in in the years to come under Tory administration — or that there was dancing in the streets in any of the towns and villages in the constituency of Minnedosa or of Roblin. I doubt if there was any dancing in the streets in San Clara, just on the border of Duck Mountain Provincial Park in the constituency of Roblin; or in the town of Fraserwood or Komarno in the constituency of Gimli; or in the other places; or in Sprague in the constituency of Minnedosa, or any of those places. I doubt very much whether the people stood up and cheered for the 2 percent reduction in provincial tax. —(Interjection)— They were happy to get the 2 percent. It went through one ear, they heard the government announcement of a 2 percent income tax reduction. What else did they hear at the same time? The senior citizens heard a freeze on home repairs. Till this day we don't know whether the Minister is going to continue with the Critical Home Repair Program or not. You know, he simply says, "Well, we've got to catch up with all the applications that we have on hand, and an announcement will be made in due course." In the meantime, Mr. Speaker, their homes are in need of repair. The senior citizen doesn't know, ought he wait another day, a week, a month, for some favourable announcement from the Minister without Portfolio responsible for the Critical Home Repair Program; or ought he proceed with the repair work himself with the hope — the remote hope I would add — that if the Minister does announce a revival of the Critical Home Repair Program that there will be any retroactivity to it, that he'd be able to send in a bill and say, "Mr. Minister, you announced this program effective today. I repaired my home yesterday. Here's my bill. Could you pick up the portion that you normally would have picked up had I delayed the repair work to my home and waited to file my application and obtained assistance in the usual manner?" It's unlikely that would happen, Mr. Speaker.

So that's what the people have been hearing, silence from the Minister responsible for the Critical

Home Repair Program as to the future of it.

They had also heard very shortly after the government took office, an increase in Hydro rates, an increase in Hydro rates. Mr. Speaker, take a look at the average amount of a Hydro bill. Now, of course, the Member for Roblin is an expert on that and he could certainly advise all his colleagues on what the average rate is, and he's an expert at calculating increases; and the increases at least were \$2.50 or \$3.00 a month, averaging about \$30.00 or \$35.00 a year.

And just the other day the increase in the price of milk of 3 cents per litre. Mr. Speaker, consider that and the effect that that has. Here's an essential — it's not a luxury food item but an essential food item. And consider the effect of that price increase on the young family with young children, on the senior citizen on a person on a fixed income, on a person who for perhaps medical reasons under doctor's orders has to consume a certain quantity of milk, and he has to pay 3 cents a litre more than he previously had. Even just the ordinary young family consuming three or four quarts of milk a day, which may not be unusual for a family with three or four children, running 10, 12 cents a day, \$40.00 to \$50.00 a year. That's what the people in my riding are hearing, that's what they're hearing, and not the great benefits of the 2 percent provincial tax reduction because that doesn't amount to a row of beans for most of them, and the government knows it.

The Honourable Member for St. Boniface says, "two rows of beans." That was three months ago. Beans have gone up in price. Today it's one row of beans, not even one row of beans. Mr. Speaker, the families of sons and daughters in their mid teens, in their late teens, going to university, they've also heard of a tuition fee increase, ranging from \$100 to \$150. —(Interjection)— Yes, and that barefoot boy will appear on the doorstep of the Minister of Education and he will be seeking his assistance. He's going to be barefoot, he won't have any shoes. In fact, doesn't have any shoes today and he's finding it increasingly difficult to buy a pair of shoes because the Honourable Minister and his government have cut back on the Student Employment Program, he can't find a job.

No. 2, as far as Student Aid is concerned he's upped the entry level to the Student Aid Program. So he's going to continue to remain without shoes. He wouldn't even be able to buy a pair of secondhand shoes, never mind a pair of cheap shoes; and even the cheap shoes aren't on the market any more because I suppose the cheaper ones that one was able to buy were Greb shoes, and they've moved out of the province. I don't know if they still sell them. They moved out shortly after this outfit took office.

Because of the lack of increase in support of public transit, what has happened to bus fares? They have increased by 10 cents a fare. Now I know for the wealthy members on that side, they laugh at this. They say, "What's a dime?" Well, you multiply a dime times two and multiply that times four or five a week, and see how goddamned funny it will be when you multiply it times 52.

MR. ORCHARD What is it? What's the answer?

MR. HANUSCHAK And see how funny it is when you're living on an old age pension, then laugh.

A MEMBER They're still paying a dime.

MR. HANUSCHAK Then laugh.

A MEMBER Their's hasn't gone up.

MR. HANUSCHAK And if you have parents or in-laws to support on a fixed income at that level, then see how you'll laugh, everyone of you, then laugh, then laugh. The Minister without Portfolio, whatever he's responsible for, "you dummy", he says. See how you'll laugh. Go into my riding and talk to the majority of the people over there. —(Interjection)— You come to my riding where there are people living on a next-to-nothing income and see how hilariously funny they consider the increase in bus fares. See how hilariously funny they consider your freeze on Critical Home Repair. See how their splitting their sides with laughter at the fact that you've frozen it. Go down there right this minute and come back and tell me how many people you've found just rolling in the streets with laughter. See if you'll find them, if you want to run the risk of going in there and getting out of there without getting tarred and feathered and being ridden out on a rail, if you think it's that funny.

10 See how funny it is to pay an increase of \$100 to \$150 in tuition fees when your old man is working for the minimum wage. Now I know. —(Interjection)— They think it's funny. One of

the members of the caucus on that side as an aside comment he feels that the only people working for the minimum wage are the sons and daughters of the more affluent people, who go out to get jobs, it's work experience for the summer months, and to them it doesn't really matter because after all their father will pay the tuition fees and support them at home anyway. So what does it really matter?

Mr. Speaker, if the Honourable Minister without Portfolio or any of the members in the front bench would take a look around the City of Winnipeg or around their own riding, they would find there is a hell of a lot more people than just the sons and daughters of the affluent, many more who are working for the minimum wage and have to attempt to make ends meet on that, and see how funny they consider it to be. See how hard they're laughing.

I wish the Honourable Member for St. Matthews would take a look around his riding and see how many people consider it to be a hell of a big joke to live on the minimum wage.

MR. DOMINO We'll see who goes to the riding most often. What those people need are decent jobs, they don't need your kind of stuff.

MR. HANUSCHAK And then in addition to that, Mr. Speaker, with that pittance of a 2 percent

MR. SPEAKER Order please. The Honourable Member for Burrows.

MR. HANUSCHAK In addition to the pittance relief that this income tax bill offers those in greatest need of relief, the threat of a user fee for Medicare hanging over their heads, which we hear mentioned from time to time; rent decontrol, which has been announced; the level of school funding for public school education at which it stands now. You know, Mr. Speaker, I was surprised, I was shocked the other day a neighbour of ours dropped over to visit us and she had been to her daughter's high school and they had put on a tea for fund raising purposes and she asked the principal what is the purpose of the fund raising of that tea? She thought that normally it was for matters that aren't normally covered that a school considers desirable and necessary but they don't fall within the parameters of the budgeting of a school division. So the school division says, "Well, you want a few dollars to provide a flower fund for the ill, to provide for travel expenses for a child to some fair or something like that; well, okay, you can raise your own funds." But she was shocked to find that they have to raise funds to provide for items for athletic equipment and so forth which formerly was provided as a matter of course out of the regular school division budgeting process.

Now because of the insufficiency of funding out of the public purse for education the students are forced to go begging in the streets for money to finance the Education Program offered within their school.

In addition to that, Mr. Speaker, you know all of these measures taken by this government are hitting where it hurts most, hitting the person least able to defend himself; the person on a fixed income, the unemployed person, the person at the minimum wage, the student, the elderly, the mother with young children, hitting each and every one of them. Those are the ones that the government is hitting at. In the meantime offering tax relief, 2 percent plus the repeal of succession duty law, gift tax law, to benefit the wealthy, to benefit the wealthy.

Now, oh yes, of course I want to be fair, Mr. Speaker, the Minister of Finance announced that there is going to be further relief for senior citizens to remove the burden of school tax. But there again, Mr. Speaker, there are very few people in my riding that are going to stand to benefit from it because they don't live in high assessed homes. They don't live in high assessed homes. They live in a home assessed at \$4,500, \$5,000, whatever it is, so the tax relief will go to the senior citizen owning a big home in Wellington Crescent. In the meantime the poor person on a fixed income in my riding, and in the riding of St. Matthews and the riding of Wolseley, and in the ridings of all the members over there, aren't going to get a cent out of it, Mr. Speaker. That is the inequity of the whole thing.

In addition to that I suppose what really capped it off is the fear that this government instilled in the minds of the people of Manitoba by demonstrating that no longer . . . that they're going to assign powers with the force of law to independent bodies not responsible to government. They will give those independent bodies the right to do acts which could result in putting you and me, Mr. Speaker, and every one of us and any one of the people in Manitoba behind bars, as we have seen in the Cattle Producers Association bit. Now that, Mr. Speaker, I realize is a subject of another

debate and we will come to that when we reach that bill on the Orders of the Day.

Then, of course, with the so-called tax breaks, tax relief, that this government is offering on the one hand, what do we see being done for the people of the north? What do we see by way of training programs and employment programs for the disadvantaged? We see one of two things: Either hold the line or cut back. Either hold the line or cut back in this period of increasing unemployment. In a period of time when the government really should be moving in the reverse direction and providing more job opportunities and providing more training for these people, the government is either holding the line or cutting back. Well that, Mr. Speaker, demonstrates where this government's sympathies lie, and certainly not with the majority of the people of Manitoba; certainly not with the disadvantaged; certainly not with the people of the north.

I hope, Mr. Speaker, that at least the backbench on the government side of the House doesn't share the philosophy of the Honourable Minister without Portfolio who was responsible for the Task Force and who I hope will continue to be responsible for something or another, and whatever it is we do not know because he didn't tell us in committee what he is going to be responsible for. I hope they don't share his philosophy of reverse onus of proof, which he appears to be an adherent of when in dealing with the Task Force he said, "Here are our recommendations. If you don't agree with them, prove me wrong."

I would hope that members on the government side . . . Although we can prove you wrong, but I hope that you would be man enough and go by the "he who asserts must prove" principle. And you're bringing in the legislation. Your party is bringing in the legislation. Stand up and defend it and explain to us how it is going to benefit the people in your riding. How it's going to benefit the 1 million people in the Province of Manitoba. And I would like to hear from the members of the backbench. I think that the Honourable Member for Pembina is very anxious to speak, and so is the Member for St. Matthews very anxious to speak and we would like to hear from them. I hope that they will be able to defend this bit; I hope they will try. I'm not sure whether they will be able to succeed or not because if something is indefensible how can you really defend it. But I do hope they will make an attempt at defending it, and so they should.

Now, Mr. Speaker, the Honourable Member for Pembina wanted to ask me a question. I had promised him that I will let him put his question to me and I will attempt to answer it.

MR. SPEAKER The Honourable Member for Pembina with a question.

MR. DON ORCHARD Yes, thank you, Mr. Speaker. I'd like to ask the Member for Burrows if he should possibly consult with the Member for St. Johns regarding the disposition of the 2 percent income tax reduction? You claim it's going to pay for party fund contributions; the Member for St. Johns claimed it was going to pay for holidays down south and the two can't be right, and I'd like one of you to get your facts straight, and possibly you might be able to straighten that anomaly out.

MR. SPEAKER The Honourable Member for Burrows.

MR. HANUSCHAK Mr. Speaker, if it eases the burden to make a political contribution, then it frees more dollars for a holiday down south. If it eases the burden of holiday expenses for a holiday down south, then it frees up more dollars for political contribution.

MR. SPEAKER The Honourable Minister responsible for Housing.

MR. JOHNSTON Thank you, Mr. Speaker. —(Interjection)— Well, Mr. Speaker, the comment is, "Tell him, smiley." I guess that I do look rather serious at times but you have reason to be very serious when you hear speeches like that from the opposite side of the House.

I remember an occasion when a member used the term the Honourable Member for Burrows just used, taking the Lord's name in vain, the other member didn't even use that term when he was speaking into a mike; he said it on the way out of the House and it got publicized in the paper very greatly. I certainly hope the press do you the same privilege as they did the previous member that used that statement.

Mr. Speaker, I would like to start by saying that I referred to the honourable member as . . . I won't use it while I'm on my feet but let's say a little numb between the ears. Mr. Speaker, he has continually got up and talked about the Critical Home Repair Program and saying it is frozen, and I have admitted it is frozen. It's frozen because we have got 5,000 applications and we're trying to do our best to get it, and I have said straightforwardly on my feet in this House it will continue. It will continue to be a Critical Home Repair Program and there we get to the numbness in the

head again, you see.

Mr. Speaker, I said we have had all these applications that we are working on, and when we get them down the Critical Home Repair Program will be open again to all the senior citizens of Manitoba.

Mr. Speaker, the Critical Home Repair Program is employing people right now with the 4,000 applications that are still being worked on.

So, Mr. Speaker, I have said before, we have a problem which I blame nobody for. We are trying to solve it, and we are doing our best but the honourable member continues to use it. That's the tactic of the honourable member. He starts to talk about the people that go on holidays. I guess he has never been on one lately and I would suggest to him if he hasn't, take one. Take a trip to somewhere outside of this province, especially to Hawaii or to Barbados, or to Nassau, Florida. Please do, and you will mix with every walk of life in this province. The percentage . . . Yes, the percentage of people that are taking trips today and holidays in the winter are not all of the rich people, as he said.

I will tell you this, business itself, or rich people couldn't even support a quarter of the travel agencies there are in this province. They are supported by the ordinary Joe in the street who is going on holidays in the wintertime now. And I tell the honourable member to get on a charter flight, go up and down the aisles, see where the people come from, and you will be damned surprised. —(Interjections)—

Mr. Speaker, that's the exaggeration that member makes again and he talks about the businesses. You know, Mr. Speaker, all my colleagues and myself want is to have business in Manitoba; not to have it driven out like the NDP drove it out. Look, it's very logical that if you are going to compete with something . . . If the honourable member owned a store, if he was in a business of any kind — and he may have been during his life — I am very sure that he would have had his product competing with the person who was his opposition. That's all we're saying that the Province of Manitoba should do. We're saying that the Province of Manitoba should be the same as the Province of Saskatchewan. —(Interjection)— Okay, you're right; not quite. My honourable colleague corrected me, and thank goodness he did.

But as far as the succession duties are concerned, as far as taxes are concerned, all that we want to do is be competitive with Saskatchewan. We want to entice businesses to come here. We want them to start little plants that maybe manufacture and support 25 people. Those are the ones that can't survive in this province, Mr. Speaker. Those are the ones that got taxed to death in this province. They just couldn't make it and compete with businesses in other provinces. They have to transport their goods to get into the bigger markets. You know, all of my colleagues and I have said, "Let's be competitive in Manitoba." Let's give the person who has even got some incentive — maybe not a lot of money but has some incentive — and a good idea, the opportunity to at least start up in Manitoba and employ some people. Anybody with that kind of brains in Manitoba at the present time had to leave this province to be successful, and he was usually hiring somebody else somewhere else.

Mr. Speaker, I am fully aware of the recreation that goes on in this province and in the City of Winnipeg. The honourable member can talk as he likes about his constituency but there are community clubs throughout this city and throughout this province like there never has been before. —(Interjection)— Yes, you built some but the St. James Civic Centre and some in my area, and many in his area, were built before the NDP government was ever in power. You continued a program. Don't start wailing on your feet about young people not having recreation in this province and in this city, because you are wrong and you are crying the blues and you are trying to give a wrong impression to people. —(Interjection)— Mr. Speaker, the honourable member says we're closing them. Yes, look, he says we're talking . . . They are run by boards, who are making decisions.

Mr. Speaker, we are saying to them the same as we should say to any professional manager, anybody that has got any brains in his head at all, to say, look, we are asking you to operate this place to the best of your ability as a professional. And as a professional, maybe he won't put a coat of paint on every two years; maybe he will do it every four. Maybe he will cut the lawn once a week instead of every ten days. But no, what are some of those people saying? They come up and they say, "Oh, well, well, we have got a closed place." That's not professionalism; that's stupidity, and they should be told that.

Mr. Speaker, he talks about young people. Maybe . . .

MR. SPEAKER Order please. The hour being 4:30, I am interrupting proceedings. The honourable member will have 34 minutes when this item next appears on the Order Paper.

PRIVATE MEMBERS' HOUR

SECOND READING — PRIVATE BILL

MR. SPEAKER Bill No. 17, An Act to amend An Act to Incorporate the Brandon General Hospital. (Stand)

SECOND READING — PUBLIC BILLS

BILL NO. 5 — AN ACT TO AMEND THE LIQUOR CONTROL ACT

MR. SPEAKER On the proposed motion of the Honourable Member for Emerson, Bill No. 5, An Act to amend The Liquor Control Act. The Honourable Member for Inkster.

MR. GREEN Mr. Speaker, I suppose that it's appropriate that we should have one smiling visage after another smiling visage speaking in the House this afternoon, so I will take up from where the Honourable Minister without Portfolio left off.

To continue, Mr. Speaker, this debate which was introduced, I almost said approximately a month ago but I should have said approximately 12 years ago. And that's only because I have only had 12 years because if one could look to the origin of the debate we would have to go back far more than 12 years, far more than the lifetime of this Assembly, far more than the lifetime of this generation, Mr. Speaker. Because there has always been, and I suspect there always will be — and the pendulum will swing first in one direction and then another direction — but there has always been and there always will be an argument between those who suggest that you can (regulate moral conduct by means of state enforcement, and those who believe that given the best of the human spirit and the freedom which it is permitted to develop in, that mankind will develop to a higher and higher plane , by not by virtue of state repression, but by virtue of developing a climate whereby the human spirit can develop to reach its highest objectives.³

And therefore, Mr. Speaker, when I speak to this Bill, and I'm going to be somewhat harsh because it is the only way that I have been able to get my point across with respect to this measure, I call this bill the bill to increase irresponsible drinking in the Province of Manitoba. And the reason that I do that, Mr. Speaker, is not because I think that the Honourable Member for Emerson wishes to promote irresponsible drinking, the reason that I do it is because the Member for Emerson attributes to people who do not agree with him the motive that they wish to promote irresponsible drinking. And there's going to be another bill on the Order Paper on which I'm going to take the same position, Mr. Speaker.

I'm going to have to refer to the bill that's been introduced by the Member for Fort Rouge as the Secrecy of Information Bill designed to promote secrecy. And the reason that I have to do that is because sanctimoniously, both the Member for Emerson and the Member for Fort Rouge come to us as if they have an answer to the problem of immoderate drinking, and we who oppose them are seeking to encourage immoderate drinking or secrecy in the case of the Member for Fort Rouge, and I'll try to confine myself to the Liquor Bill.

Well, Mr. Speaker, this argument has been going on for years, and I regret that I have to argue this with so-called Conservatives, because the Conservative Party has always been the Party that has preached a lack of interference or a minimum of interference by the state in the conduct of human affairs, and they do that, Mr. Speaker, but they draw the line at morality. They are quite willing to have man slaughter each other economically without any interference by the state, where the state should be involved, because right now the slaughter takes place as a result of privileged positions which the state should undo, but when it comes to moral conduct they abandon their concept of freedom, they abandon the notion that the best results are achieved through freedom, and they come in with state control as if the state can regulate morality.

And every attempt, Mr. Speaker, the same thing took place on censorship. We saw the House divide. The "Free Manitoba" people voted, in large block, that the state should tell people what they can read, what they can see, what they can hear, and the people that they refer to as state controllers said, by and large, that given freedom, given the freedom of expression, given freedom to choose what he will hear, and what he will see, that man will rise to a higher and higher plane and the best will come out, not the worst. But the Conservative Party in this House says that if you will allow people their human freedom, then the worst will come out in them — not the best. And that's the difference in the debate that's taking place.

Mr. Speaker, we're not going to be able to solve it by statistics. In the last analysis, we are

going to be involved with the inarticulate major premise of each of us, our attitudes, our backgrounds and what we know of human experience, and we are going to make a decision on that basis. And I have to repeat this, and I say that the debate didn't start today, it started many many years ago.

But a great man, whom I respect a great deal, the former Member for Lakeside, gave me my rationale on this bill because he said, "Everything that is more restrictive I will vote for; everything that is less restrictive I will vote against." And I sincerely believe that he thinks that that is the best way. Up until that time I had a problem of how do I vote for 18 when I say it should be 15, which subject was canvassed to me on the 24 Hours show and I gave Mr. Campbell's answer. Anything that is less restrictive I will vote for. In other words, anything that gives greater freedom I will vote for; anything that is more restrictive I will vote against.

I say that, Mr. Speaker, because I believe — and it's one man's opinion — I hope I can make other people believe the same way and in particular I am talking to the members of the Conservative Party, who have come into this House on a platform of Free Manitoba and are now in large measure, as indicated, going to support a bill which says to every 18-year-old in the Province of Manitoba, you are an adult; you can vote; you can be elected to parliament; you can be conscripted to go overseas in the case of war but we are telling you that you are irresponsible and you cannot, by law, go into a beverage room and have a drink. That is the Free Manitoba slogan and what it comes down to in practice.

Well, Mr. Speaker, I have said that statistics are not going to answer the question, but human observation and common sense should answer something. In 1956 — and most of us can remember 1956 and it was before the liquor laws — it was the time when only men could go into a beer parlour, the only place you could drink were in beer parlours. You could not stand up in a beer parlour. You could not have food with your drink. You could not go to a restaurant and have a drink. Do you remember that there were more cases of irresponsible and unacceptable drinking habits in those times than there are today, or do you say that there are more today?

Well, Mr. Speaker, all we can talk about is human observation and I can remember what I saw with regard to beer parlours and I can remember what I know with regard to bootleggers and how you had to get your whiskey and what you had to do in Jack's Place. The pillars of society, Mr. Speaker, and this was the hypocrisy of it, the pillars of society went to Jack's Place, were served a pitcher of ginger ale, ice, and empty glasses and the liquor was under the table on the floor. And we all broke the law. MLAs broke the law; policemen broke the law; judges broke the law and there was a general disrespect for the law and worse behaviour with respect to drinking.

Do you remember — I ask the members of the Conservative Party — when they were going to school in those days because I remember and what we were told, Mr. Speaker? What was held out to us was this forbidden fruit, which happens to taste lousy. But they were telling us it was so good that only they could drink it and we couldn't have any, and they gave us a bigger inducement to drinking than anything that would have happened if they would have given us a drink and said, "You probably won't like it, but if you feel like a little bit it won't bother you. If you drink a lot it will get you sick." —(Interjection)— Well, Mr. Speaker, I know about it.

You know, the honourable member, I told him we are talking about our experiences; I know about it. And I am telling the honourable members that the essential result of this bill will not change whether or not 18-year-olds are able to get liquor. They will get it.

The essential result of this bill is to take a group of people, tell them they are irresponsible, and by telling them they are irresponsible, create irresponsibility. Because they will believe you when you tell them that they are irresponsible. They will say, "A group of members of the Legislative Assembly, which is the highest organization of the democratic process in our society, got together and passed a rule that we are, though adults, are not able to make a decision as to when or how we will have a drink. We will only be able to do so when we are with our adults in a restaurant or adults in our home but that they will not trust us to make that decision for ourselves." And by telling them that, Mr. Speaker, you will create the irresponsibility that you are trying to avoid.

I ask the Conservative Party, you have had the occasion to watch the restrictive laws, have they restricted the consumption of alcohol? They raised the price. This resulted in a lot of drinking of wood alcohol, vanilla extract, shoe polish. You cannot, Mr. Speaker, you cannot destroy the human elements that go into the creation of alcohol no matter how many laws you pass, how many policemen you hire. And therefore, Mr. Speaker, whether you pass these laws or not what you are going to do is have the substance. And not only do you have the substance, Mr. Speaker — and here is the greatest hypocrisy of it — you have the element which I don't why it became attractive. Since time immemorial, when you go through the Bible and read about the spirits, since time immemorial

mankind has found a way to take this and to use it. He is going to use it sensibly or he is going to use it insensibly. The restrictive laws will contribute, in my opinion, to the irresponsible use. The non-restrictive laws give you a chance for responsibility.

Now, I say, Mr. Speaker, we have had the restrictive laws. We have seen that they haven't worked. My plea to this Legislative Assembly is give freedom a chance. Give responsibility a chance. Tell these people that you are going to put the responsibility on them, that you are not going to try to pass unenforceable laws which they will then merely consider as a challenge to them to get around, because that's the way they are. How do I know that's the way they are, Mr. Speaker? That's the way we were. Does anybody in this room deny it? That when they were 17 years of age, or 18 years of age, and adults told them that they couldn't do certain things that the adults were doing, that all they looked upon is the hypocrisy of what they were being told. They were being told, don't do as I do, do as I say. And it caused them to revolt, it caused you to revolt, and it will cause the 18-year-old of today to revolt.

So, Mr. Speaker, the logic of my position, as was put to me by somebody else, is that, well, you would agree if they reduced the laws to 16 or to 15. Mr. Speaker, I will vote for every provision which is less restrictive and I will vote against every position which is more restrictive. And what will be the worst that will happen? It will mean that liquor will suddenly become a normal commodity and society will have to have the responsibility of dealing with it, rather than being told that it was going to be dealt with by the state.

So what would happen, Mr. Speaker? I have seen cultures where the use of liquor, the use of alcoholic beverages, was considered a part of normal living, was not regarded as evil rum and set up as a prohibition which people then try to obtain the fruit for. And all I can tell you is that from my own experience, Mr. Speaker, this has resulted to a more moderate and sensible and responsible use of alcohol than has the reverse.

Now, I can't prove that. I only have to tell you that I believe it and that I think that if you will observe human activity and observe the results of the restrictive laws, you will have to at least admit — if you will not admit that I am right — you will have to admit that you are not right, that the restrictive laws have not prohibited drinking and have not resulted in a more moderate use of alcohol.

I am therefore asking this House — and I don't know, Mr. Speaker, there is a change in the complexion and we may see this bill passing — but I suggest to you that when this bill passes you will create irresponsibility amongst 18-year-olds.

Mr. Speaker, there is a side effect to this bill just I guess as there is a side effect to drinking, and I will get to it in a moment. I was surprised to find that my daughter, who is 18, told me that if this bill passes she will lose her job. I didn't even realize that. Do the honourable members know that there are thousands of these irresponsible 18-year-olds working in restaurants and establishments where liquor is served throughout this province? You should be happy about that. It's the work ethic. They are working and they are continuing to work, and some of them are working to get a university education. That's what the Minister of Education loved. What you are going to tell these people is they are no longer to work, because, Mr. Speaker, the laws which prohibit an 18-year old from purchasing and drinking alcoholic beverages except under certain circumstances, will also prohibit them from working in these places. So all of a sudden, Mr. Speaker, you are going to tell thousands of youngsters, "You are no longer able to work. You are no longer able to earn a living or earn your tuition or to take part in the work effort." Mr. Speaker, do you know what those people will do? They're working now, they are responsible people; they will be let go from their jobs and they will be driven to drink; and they will find the drink. Mr. Speaker, the greatest fallacy is that the only things that exist are those which are permitted by law to exist. The drink will be there.

It was there when I was sixteen. It was there when the drinking age was 21, the liquor was there for the 16-year old and those who say it wasn't there, either have forgotten, have tremendous amnesia or lived as hermits, because it was there. It was expensive. It was drunk in the most obscene — and I use that word not with any particularly pornographic element — but was drunk in back yards and in garages and hidden away and finished. Mr. Speaker, finished' not a simple drink but finished and created tremendous problems.

Now, Mr. Speaker, I suggest to you and I suggested it last year, but I really can't avoid putting it back into the argument, that I didn't have my drink at the age of 18. I had my first drink at the age of 7 days, because a child of my background at the age of 7 days and on the eighth day goes through a particular ritual. —(Interjection)— No, the eighth day. The eighth day, goes through a particular ritual, and in the course of this ritual liquor is dabbed to his lips which makes him very happy.

And I tell the honourable members that throughout my own background a moderate degree of

consumption of alcohol has been a normal part of living and once it is made an abnormal part of living, it results in immoderate drinking.

This bill, Mr. Speaker, I label a bill to promote the irresponsible consumption of liquor by 18-year olds because that will be the result of the bill.

MR. SPEAKER On the proposed motion of the Honourable Member for Emerson. The Honourable Member for Rock Lake.

MR. EINARSON Well, Mr. Speaker, I would like to make a few comments on the bill that we're discussing this afternoon. Having listened to the Member for Inkster which I found very interesting, I can't say that my 7th day in this world was like his. But you know, Mr. Speaker, I spoke on this bill last year and I introduced the comments which I think has significance to the reasons for this bill being on the Order Paper today, and that is the legislation that the previous government brought in this House somewhat six years ago, or seven years ago, I stand to be corrected, namely, The Age of Majority Act.

When the NDP Party were government they introduced a bill to reduce the age of majority from 21 to 18 years. I would suggest, Mr. Speaker, that because of that legislation that the previous government brought in is the reason why we have — or basically the reason why this bill is on the Order Paper today and why it was on the Order Paper last year.

You know, Mr. Speaker, the Member for Inkster likes to speak in a very simplistic way when he talks about himself — and I want to compliment him — on saying that in his own home, in his own way of life, as a man, as a husband and as a father of a family, that he was successful in bringing up his family in a way that they were able to enjoy, appreciate and respect the kind of spiritual discussion that we are talking about when we talk about this bill today.

I only wish, Mr. Speaker, that every man in the position that the Member for Inkster finds himself, I wish every man in this province could say the same thing, we'd be living in an ideal world. But, Mr. Speaker, unfortunately that is just not the case. And, Mr. Speaker, I, too, and I'll admit to the members opposite, have difficulty with this bill. But you know what, Mr. Speaker, many citizens in this province, in my own constituency, have been telling me over the past number of years, particularly the problems that have been coming from trustees of school divisions, and the reason is, there are many more boys and girls that are reaching the age of 18 and are still in high school; they're adults, because of the legislation that the previous government brought in some six or seven years ago and they, I must say, have got to accept the responsibility for the kind of problem that we are faced with today, and one of the reasons — basically the reason — why this bill is on the Order Paper today.

I have been told so many times, what can we do about this? So we're bringing in a bill to increase the drinking age from 18 to 19. I would hope, Mr. Speaker, and I don't think that I am saying anything out of order, I am now speaking personally, I would hope that we'd be able to change the age of majority to bring it in line whereby it would be compatible in order that the Member for Inkster could live with it.

But I want to say, Mr. Speaker, that the problems this has caused — and the Member for Inkster said — "You know, we can't destroy the human element," and I agree with him on that. But it isn't as simple as all that. It's the human element that we have to contend with in this case. And when we talk about freedoms, the member says to us on this side, "You cherish your freedoms." Mr. Speaker, I certainly do but I want to add one other comment when we talk about freedoms, which the Member for Inkster did not touch on, and that is the responsibility that goes along with freedom. That is the area in which, Mr. Speaker, I think I differ with some of the honourable members opposite — that there is responsibility if we want to have our freedoms.

As I said earlier, school trustees for one example have said to me, "Students in the country," — and being a country member am more familiar with; I don't know so much whether that's the problem here in the City of Winnipeg, "Students will leave at the noon hour, go down to the local pub, maybe sit there for an hour or so and even may go down in the afternoon and about 3:30 when the bus is ready to go home, take the students out to the country farms; the bus will stop at a Stop sign and these students are well aware of the timing, they will get on that bus and go home, unknown to their parents that that's the way their afternoon was spent rather than being in the high school that they should have been attending." This is one of the big reasons, Mr. Speaker, why we have this bill on this Order Paper.

What do we do? What do we do when we're faced with a situation like that? I'd boil it back, Mr. Speaker, to the age of majority being reduced from 21 to 18. Why did they do that, Mr. Speaker?

why did they do that? —(Interjection)— The Member for St. Johns says I didn't vote against it. He can't prove that I voted for it either. No. He can't prove that I voted for it either. —(Interjection)— Well, Mr. Speaker, that's a very interesting comment. That's a very interesting comment, Mr. Speaker. The Member for St. Johns says that I voted for it. —(Interjection)—

Well, Mr. Speaker, I think possibly that if the age of majority had been left as it was, that a lot of these troubles that we have today would not be here. And while the Member for Inkster spoke about all the situations of what we were like when we were 18-year olds, I would suggest to the Member for Inkster, Mr. Speaker, that I'm afraid society was greatly different to what it is today, greatly different. I don't think it's fair to make such a comparison. In the day and age in which the Member for Inkster and I lived — and I'll use, if I may, himself and myself — I think we've got a fair comparison here. We didn't have the kind of opportunities that the children have today or the men and women as they are now 18-year olds today.

Another comment that the member made — and I'm not sure that I understood him correctly or if I did I can't see that he's correct — I would say if it was my daughter or son working in a hotel or a restaurant at 18 years of age, I would like to say, Mr. Speaker, that they are entitled to work in those places. —(Interjection)— If they're 18; but the only difference is they can't consume the beverage. —(Interjection)— I think that's what the Member for Inkster was talking about. If his daughter is 18 years of age, if this bill passes, then his daughter cannot work in that restaurant. —(Interjection)— Well, Mr. Speaker, his daughter, if she's 18 years of age she's an adult. —(Interjection)— Well, Mr. Speaker, I would like to dispute that point until such time as it's proven to me that I am wrong, and I stand to be corrected. But you know if a person is 18 years of age, they're an adult; the only thing it says, they can't consume a beverage at that age. But they should be able to work. He was talking about, are we going to cut out employment for these young people? —(Interjection)— Well, okay, that's fine, Mr. Speaker. If that's the case then probably the Member for Inkster has a valid point. —(Interjection)— No, I understood, Mr. Speaker, that the Member for Inkster said, if his daughter was 18 years of age.

MR. GREEN Before she was 18, she was not permitted to serve liquor. When she turned 18 she was permitted.

Well, Mr. Speaker, I didn't understand the Member for Inkster to say that. I thought he was talking about his daughter who was 18 years of age and was not able to serve. That's a different situation, yes.

Mr. Speaker, while some honourable members opposite talk about wanting to maintain their freedoms — and another point I want to make on the age of majority — in the legislation it would change it from 21 to 18, I think was unfair to our young people when they reached 18 years of age — that meant that they were adults and they had to go out and face the world, face all the responsibilities attached to it as an adult — how much experience did a lot of them have? Some of them probably were prepared because of their background; they had already learned what the word "responsibility" meant and had to get out and work for themselves before they were 18. But many more of them in this day and age did not have that opportunity.

Therefore, I suggest, Mr. Speaker, that that kind of responsibility that was imposed upon them at that time when that legislation was changed, was not fair to those young people. I think that, Mr. Speaker, there was a motivation behind honourable members opposite when they brought in that legislation, they knew strictly that they thought they were going to get more votes when the next election came around in 1973, and that was basically why that legislation was put on the books.

So, Mr. Speaker, I just wanted to make a few comments with regard to this bill. I'm going to support this bill, Mr. Speaker, on the basis — and I hope that in the not too distant future — that we will be able to change the age of majority because I can agree with some of the comments that are probably going to come from honourable members opposite, that it's very difficult to impose a regulation on an adult in one area and not on all other areas which relate to responsibility of a person when they become an adult.

And, Mr. Speaker, I just want to repeat again, I hope that it won't be too long before we can make the age of majority different to what it is today, probably complementary to some of the age of majorities in other provinces.

I would suggest, Mr. Speaker, that the law enforcement people, the people who are running hotels, motels and what have you, working, operating businesses where people come to consume their beverages, that it will be alleviating a lot of problems, a lot of hardships that we are having today.

Another thing about the human element aspect of this, Mr. Speaker, is, when they changed the

age of majority from 21 to 18, as the Meer for Inkster said, "Well, sure, people were consuming beverages before they were legally of age," but not when they were 21; it might have been from 18 to 21 they were consuming beverages. Now when they reduced it down to 18, they were consuming beverages when they were 15 and 16; and if they were to change the age of majority from 18 to 16, you'd see 12 and 13 year olds trying to consume liquor. This, Mr. Speaker, has the human element aspect and I would suggest it is not in the right direction that I want to see this thing go. And so, Mr. Speaker, with those few comments, I support the bill on this basis, hoping that we will see in the not too distant future, that the age of majority will be changed to a higher age. Thank you.

MR. SPEAKER The Honourable Member for St. Johns.

MR. CHERNIACK I wonder if the honourable member would permit a couple of questions. Firstly, since he and I first met in the army, how old was he when he joined the army?

MR. SPEAKER The Honourable Member for Rock Lake.

MR. EINARSON Mr. Speaker, I think the Honourable Member for St. Johns is trying to . . . I think he probably knows my age but is he trying to get publicity, to divulge my age. I have got to think back, Mr. Speaker, I think it was somewhere around 23 or 24 years of age, I'm not sure.

MR. CHERNIACK I obviously was wrong; I thought that he was so young, so youthful, I thought he may have been 18. Since there were 18-year-olds in the army when we were in the army, would he object to an 18-year-old today in the army drinking?

MR. SPEAKER The Honourable Member for Rock Lake.

MR. EINARSON Mr. Speaker, when the age of majority was discussed about 21 to 18, the criteria that those who were in favor of it, because they said, when a person was 18 years of age, or if he could go into the army and serve his country at 18 years of age, he should be able to do everything else. I think that was a very weak case, a fallacy in my view, to think that that is one reason for reducing the age of majority from 21 to 18. I don't think it is a sound reason for reducing the age of majority from 21 to 18.

MR. SPEAKER The Honourable Member for Brandon East.

MR. EVANS Mr. Speaker, is it in order for me to adjourn the debate? I move, seconded by the Honourable Member for Lac du Bonnet that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER On the Proposed Motion of the Honourable Member for Fort Rouge, Bill No. 6 - The Freedom of Information Act. The Honourable Member for Gladstone.

MR. FERGUSON Stand, Mr. Speaker. (Agreed)

MR. SPEAKER Bill No. 12 - An Act respecting The City of Brandon. The Honourable Member for Rock Lake.

MR. EINARSON Stand, Mr. Speaker. (Agreed)

MR. SPEAKER The Honourable Member for Brandon East.

MR. EVANS On a point of order, I wonder if either the Honourable Member for Rock Lake or the Honourable House Leader could indicate how long they may be wishing to stand this particular bill because there is some urgency. I am getting phone calls every day on the matter and I am just wondering if the Honourable House Leader or the honourable member could indicate when they are prepared to discuss this particular bill.

MR. SPEAKER The Honourable Government House Leader.

MR. JORGENSON Just as soon as my honourable friend's telephone calls reach crisis proportions.

MR. SPEAKER The Honourable Member for Brandon East.

MR. EVANS Mr. Speaker, I gather that it would be in order for me to direct all telephone calls

Wednesday, May 24, 1978

and wires in future to the Honourable House Leader?

MR. SPEAKER Bill No. 18 - An Act to amend The Brandon Charter. The Honourable Member for Rhineland.

MR. JORGENSON My honourable friend for Brandon East was not here when the order of business was taken up. I wonder if he would want to introduce the first item of Private Members' business which he is only able to introduce on a Wednesday and this being a Wednesday it may be an appropriate time for him to introduce the subject.

MR. SPEAKER Order please. To return to the items that have already been dealt with would require unanimous consent. The Honourable Member for Brandon East.

MR. EVANS Mr. Speaker, on a point of order then, is it the suggestion that we go to the top of the Order Paper which is the Order for Return, Debate on the Order for Return?

MR. SPEAKER Order please. I am suggesting the Honourable Member for Brandon East has two items here and I am not going to tell him which one he wants to deal with.

MR. GREEN Mr. Speaker, I move, seconded by the Member for Morris that the House do now adjourn.

MOTION presented.

MR. SPEAKER The Honourable Member for St. Vital.

MR. D. JAMES WALDING Mr. Speaker, I wonder, would it not be out of order for me to announce a change on Public Utilities Committee for tomorrow morning?

MR. SPEAKER The Honourable Member for St. Vital with a change in Committee.

MR. WALDING Yes, Mr. Speaker, I would like to substitute the name of the Honourable Member for Selkirk for that of the Honourable Member for Elmwood.

QUESTION put, MOTION carried and the House adjourned until 2:30 p.m. Thursday.