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THE MANITOBA SECURITIES
COMMISSION

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

29 Elizabeth II

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The Honourable Harry E. Graham
Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty - First Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
ADAM, A. R. (Pete)	Ste. Rose	NDP
ANDERSON, Bob	Springfield	PC
BANMAN, Hon. Robert (Bob)	La Verendrye	PC
BARROW, Tom	Flin Flon	NDP
BLAKE, David	Minnedosa	PC
BOSTROM, Harvey	Rupert's Island	NDP
BOYCE, J. R. (Bud)	Winnipeg Centre	NDP
BROWN, Arnold	Rhineland	PC
CHERNIACK, Q.C., Saul	St. Johns	NDP
CORRIN, Brian	Wellington	NDP
COSENS, Hon. Keith A.	Gimli	PC
COWAN, Jay	Churchill	NDP
CRAIK, Hon. Donald W.	Riel	PC
DESJARDINS, Laurent L.	St. Boniface	NDP
DOERN, Russell	Elmwood	NDP
DOMINO, Len	St. Matthews	PC
DOWNEY, Hon. Jim	Arthur	PC
DRIEDGER, Albert	Emerson	PC
EINARSON, Henry J.	Rock Lake	PC
ENNS, Hon. Harry J.	Lakeside	PC
EVANS, Leonard S.	Brandon East	NDP
FERGUSON, James R.	Gladstone	PC
FILMON, Gary	River Heights	PC
FOX, Peter	Kildonan	NDP
GALBRAITH, Jim	Dauphin	PC
GOURLAY, Hon. Doug	Swan River	PC
GRAHAM, Hon. Harry E.	Birtle-Russell	PC
GREEN, Q.C., Sidney	Inkster	Ind
HANUSCHAK, Ben	Burrows	NDP
HYDE, Lloyd G.	Portage la Prairie	PC
JENKINS, William	Logan	NDP
JOHNSTON, Hon. J. Frank	Sturgeon Creek	PC
JORGENSEN, Hon. Warner H.	Morris	PC
KOVNATS, Abe	Radisson	PC
LYON, Hon. Sterling R.	Charleswood	PC
MacMASTER, Hon. Ken	Thompson	PC
MALINOWSKI, Donald	Point Douglas	NDP
McBRYDE, Ronald	The Pas	NDP
McGILL, Hon. Edward	Brandon West	PC
McGREGOR, Morris	Virden	PC
McKENZIE, J. Wally	Roblin	PC
MERCIER, Q.C., Hon. Gerald W. J.	Osborne	PC
MILLER, Saul A.	Seven Oaks	NDP
MINAKER, Hon. George	St. James	PC
ORCHARD, Hon. Donald	Pembina	PC
PARASIUK, Wilson	Transcona	NDP
PAWLEY, Q.C., Howard	Selkirk	NDP
PRICE, Hon. Norma	Assiniboia	PC
RANSOM, Hon. Brian	Souris-Killarney	PC
SCHROEDER, Vic	Rossmere	NDP
SHERMAN, Hon. L. R. (Bud)	Fort Garry	PC
STEEN, Warren	Crescentwood	PC
URUSKI, Billie	St. George	NDP
USKIW, Samuel	Lac du Bonnet	NDP
WALDING, D. James	St. Vital	NDP
WESTBURY, June	Fort Rouge	Lib
WILSON, Robert G.	Wolseley	PC

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, 11 July, 1980

Time — 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Presenting Petitions . . . Reading and Receiving Petitions.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Member for River Heights.

MR. GARY FILMON: Mr. Speaker, I beg to present the Fifth Report of the Standing Committee on Law Amendments.

MR. CLERK, Jack Reeves: Your Committee met on July 10, 1980 and heard representations with respect to bills referred, as follows:
No. 76 - An Act to amend The Consumer Protection Act.

Ken Regier - Canadian Federation of Grocers.
No. 85 - An Act to amend The Mental Health Act.
Dale Gibson - Manitoba Association for Rights and Liberties,
Norman Rosenbaum,
Dr. Kay Kerr - Canadian Mental Health Association,
Barry Kelly - Associate Professor of Psychology, University of Winnipeg.

Your Committee has considered Bills:
No. 47 - An Act to amend The Land Acquisition Act,
No. 76 - An Act to amend The Consumer Protection Act,
And has agreed to report the same without amendment.

Your Committee has also considered Bills:
No. 38 - An Act to amend The Highway Traffic Act,
No. 84 - The Lotteries and Gaming Control Act,
No. 94 - An Act to amend The Health Sciences Centre Act,
And has agreed to report the same with certain amendments.

Your Committee appointed Mr. Filmon as Chairman replacing Mr. McKenzie.

MR. SPEAKER: The Honourable Member for River Heights.

MR. FILMON: Mr. Speaker, I move, seconded by the Honourable Member for St. Matthews that the Report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE: Mr. Speaker, I beg to present the second report of the Committee on Privileges and Elections.

MR. CLERK: Your Committee met on July 2, 3, 4, 5, 9 and 10, 1980, and heard representations with respect to:

Bill No. 19 -The Education Administration Act,
Bill No. 31 -The Public Schools Act,
Bill No. 99 -An Act to amend The Teachers' Pensions Act,

as follows:

Roland Ledoux - Manitoba Association of School Superintendents,
Terry Lewis - Renaissance International,
W.R. DeGraves, Q.C. - Certified General Accountants Association,

Mrs. Alice Rothney - Parent Coalition of Handicapped Children and Youth for Equality Education,

Real Sabourin - Societe Franco-Manitobaine,
George Forest - Private Citizen,
Armand Bedard - Federation Provinciale des Comites de Parents,

Mrs. Carolyn Garlich - Concerned Parent,
Moira Grahame - Manitoba Society for Autistic Children,

Michael Rosner - Manitoba League of the Physically Handicapped Inc.,

Art Erickson - Winnipegosis and Area Concerned Citizens Committee,

Sybil Plattner - Manitoba Association for Children with Learning Disabilities,

Terry Leonard, Alex Aitken, Abe Arnold - Manitoba Association for Rights and Liberties,

Walter Hlady, Dr. Arthur S. Majury - Society for Crippled Children and Adults of Manitoba,

Garry Crawley - Canadian Association for the Mentally Retarded, Winnipeg Branch,

Fay Svingen, Roy Warman - Social Planning Council of Winnipeg,

Keith Cooper, John Wiens - Manitoba Teachers' Society,

Joe Stangl - Manitoba Federation of Independent Schools,

Frank Cvitkovitch, Q.C., Sister Desharnais,
John Murray - Manitoba Association of School Trustees,

Fraser Dunford - Liberal Party in Manitoba,
Alec Boyes - St. Vital School Division No. 6,

Elizabeth Willcock - Winnipeg School Division No. 1,

John L. Condra, Mr. Hayes, Mr. Pollock, Mrs. Mary C. Figurel - Manitoba Association for

Schooling at Home,
George Marshall - Superintendent, Transcona-Springfield School Division No. 12,

W. R. Gordon - Manitoba Teachers' Society.

Additional briefs were submitted by the following and distributed to all members:

Canadian Association for the Mentally Retarded (Manitoba Division),

George Forest - Private Citizen - re Bill No. 19,
Lord Roberts Community School,

Association des Commissaires d'Ecoles de Langue Francais du Manitoba,

Manitoba Association of School Business Officials Inc.,
Canadian National Institute for the Blind,
Petition submitted by Mrs. Vordie Oddleifson,
Arborg, Manitoba.

Your Committee has considered Bills:

No. 19 - The Education Administration Act,
No. 31 - The Public Schools Act,
No. 99 - An Act to amend The Teachers' Pensions Act,

And has agreed to report the same with certain amendments.

MR. SPEAKER: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, I move, seconded by the Honourable Member for Rock Lake, the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: Ministerial Statements and Tabling of Reports . . . Notices of Motion.

INTRODUCTION OF BILLS

MR. SPEAKER: The Honourable Minister without Portfolio.

HON. EDWARD MCGILL (Brandon West): introduced, on behalf of the Honourable Minister of Finance, Bill No. 112, An Act to amend The Income Tax Act (Manitoba). (Recommended by the Honourable, the Administrator of the government of the province of Manitoba).

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): Mr. Speaker, to the Minister of Municipal Affairs, in connection with the introduction of The Planning Act, can the Minister of Municipal Affairs indicate whether or not there has been consultation between himself and the additional zone municipalities?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. DOUG GOURLAY (Swan River): Yes, I have had some discussion with some of the additional zone municipalities.

MR. PAWLEY: A further question to the Minister of Municipal Affairs. Can the Municipal Affairs Minister indicate whether or not that provision dealing with extension of control by the city of Winnipeg involving those areas between the Perimeter Highway and the city of Winnipeg boundaries, whether the additional zone municipalities have concurred with the inclusion of that provision in the bill?

MR. GOURLAY: Mr. Speaker, I can't confirm that they agreed to that.

MR. PAWLEY: Mr. Speaker, further to the Minister of Municipal Affairs. Has there been consultation with the city of Winnipeg involving that provision?

MR. GOURLAY: There has been some discussions with the city of Winnipeg, some of the Aldermen, and as I said earlier, some of the additional zone municipalities.

MR. PAWLEY: Mr. Speaker, further by supplementary to the Minister. Has the city of Winnipeg concurred with the addition of that provision to The Planning Act?

MR. GOURLAY: Mr. Speaker, I can't confirm that they are satisfied with that.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. SAMUEL USKIW: Mr. Speaker, I would like to ask the Minister of Agriculture whether he can explain why, in some parts of Manitoba, the province has delegated to municipalities the responsibility of allocating hay permits and in other parts of the province the department is doing it directly?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. JIM DOWNEY (Arthur): Mr. Speaker, the situation is, I said yesterday, we are in a situation of urgency that in certain areas it would be better handled by the R.M.s, the municipalities, and in other areas could be handled by the departments. That's basically the reason, Mr. Speaker.

MR. USKIW: Mr. Speaker, I would then like to ask the Minister whether the same criteria in allocations is applied with respect to both the municipal system and the provincial system?

MR. DOWNEY: Mr. Speaker, in regard to the municipalities, in most cases they are in the business of dealing with the public and as I said yesterday, again we have confidence in their ability to handle their affairs and that's basically the grounds on which we proceeded.

MR. SPEAKER: The Honourable Member for Lac du Bonnet with a final supplementary.

MR. USKIW: Mr. Speaker, can the Minister confirm that there is no difference in allocation procedures as between the municipal system and the provincial system?

MR. DOWNEY: Mr. Speaker, I don't quite understand the member's question. Would he place it again, please.

MR. SPEAKER: Would the Honourable Member for Lac du Bonnet rephrase the question?

MR. USKIW: Yes, Mr. Speaker, I would like to have the Minister of Agriculture confirm that the criteria for allocation is identical, that is the same in both the provincial and the municipal system.

MR. DOWNEY: Mr. Speaker, under the municipal authority, I'm sure that when they have things that they have to do, they can do it somewhat different than what the government does, if in fact they so desire.

MR. USKIW: Mr. Speaker, we are dealing with Crown lands. The Minister has indicated that some of the responsibility has been designated to the municipalites, some of the responsibility is under the control of his department. I am asking him whether or not land allocations for the purposes of cutting hay, allocated to applicants throughout the province, is uniformly applied, whether it's administered by the municipal people or whether it's administered by the Department of Agriculture.

MR. DOWNEY: Well, Mr. Speaker, as I indicated earlier, there are certain different situations throughout the province and where we found it in the best interests of the farm community and the local municipalities, then they are in the process of handling those particular acreages.

MR. USKIW: Mr. Speaker, I would like to ask the Minister of Municipal Affairs whether he had used his influence in advising the Minister of Agriculture or Resources, in the area of Minitonas or the area of Red Deer Lake to allocate the responsibility of allocation of hay permits to those municipalities?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. GOURLAY: Well, Mr. Speaker, no, I had no discussions whatsoever except with the Reeve of the RM of Minitonas, had asked me from time to time about the availability of hay in the area and he was directed to the Minister of Agriculture but I certainly had no influence on that aspect at all.

I might answer further a question that was brought to my attention by the Member for Ste. Rose earlier in the week, with respect to that project and he asked me if it was right that the hay was 25 a bale? I have since checked with people in the area and the information that I have is that the 25 a bale price is correct, but it more than covers the cost of putting up the hay. There are ten miles, or thereabout, of road to be put in by the contractors, there are two rivers to be crossed, the hay is to be cut, baled and put up in windrows with a minimum weight of 1,000 lbs. per bale. The contractors are also required to load the hay, keep the road open and the hay would be brought out during the winter time, when the area would be frozen, and those contractors would be responsible for keeping the roads open while the hay is coming out, they'd also be responsible for loading the hay onto the farmer's trailers that would be going there for the purpose of the hay. And as I understand it, the hay would be allocated by the interested farmer going to the Ag Rep in the area and a formula is worked out and he would be eligible to purchase hay, depending on the number of mature cows that he had, or PMU horses. And half of the price of the hay would be paid at the time that he signed up with the Ag Rep and the balance would be paid when the hay was purchased. So I hope that

answers some of the concerns of the Member for Ste. Rose?

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY EINARSON: Mr. Speaker, I direct this question to the Minister of Agriculture. I posed this question several weeks ago to the Minister and I would like to know now whether or not the Minister may have information at this time and the question relates to the importation of oats and barley from the United States, where we understand there is an import duty on those grains and I'm wondering if the Minister has any knowledge from the federal Minister of Agriculture as to what the score is in regard to removing those import duties on course grains, in order that we can assist in some way in alleviating the costs on producers because of the drought in Manitoba.

MR. DOWNEY: Mr. Speaker, to the honourable member. That was one of the requests that was put to the federal government some several weeks ago but seeing that the consultation between federal and provincial governments has been mostly from the province to the federal government, at this particular time we haven't heard back from the federal government whether, in fact, they are going to remove the feed grain duties at this particular time.

MR. SPEAKER: The Honourable Member for Rossmere.

MR. VIC SCHROEDER: Thank you, Mr. Speaker, a question to the First Minister. I had asked the Acting Attorney-General several days ago to advise as to whether the government would be prepared to provide us with certified copies of the translations of the judgments in the Kasser matter and I'm just wondering whether the First Minister might confirm that we could be provided with those documents. As he is aware, those documents, if this matter had been heard in Manitoba, would be public documents which we could obtain at the court office.

MR. SPEAKER: The Honourable First Minister.

HON. STERLING R. LYON (Charleswood): Mr. Speaker, I see no difficulty in providing that document. We'll attempt to have it for my honourable friend as soon as possible.

While I'm on my feet, in connection with the same matter. I was asked the other day by the Member for Inkster concerning the 9 million in the civil settlement and the law officers of the Crown advise that the government of Manitoba has received all of the moneys except 300,000, which amount is retained pursuant to the settlement agreement and subject to the conditions of that agreement, 150,000 to be received on January 31, 1981 and 150,000 on January 31, 1982.

Also in the course of my response the other day, I believe it was to the Leader of the Opposition, I stated incorrectly that the appeal was launched by Dr. Vilhelm Steidl, the public prosecutor. The appeal was actually launched by Dr. Johann Daun, the

Public Prosecutor of Innsbruck. Just a correction for the record, Mr. Speaker.

MR. SCHROEDER: Several weeks ago I had asked the Minister of Labour to advise as to the number of notifications he had on hand under Section 35 of The Employment Standards Act. I'm just wondering if he has checked and can advise as to how many there are in the office at the present time.

MR. SPEAKER: The Honourable Minister of Labour.

HON. KEN MacMASTER (Thompson): No I can't at the moment, Mr. Speaker. I told the member at that time I thought that it did not exceed a handful and I think I'm reasonably correct in that.

MR. SCHROEDER: Mr. Speaker, I'm just wondering whether the Minister of Labour can advise as to when he can tell us how many there are.

MR. MacMASTER: I can't advise the member how many they are and I'm not really sure, Mr. Speaker, of what value that type of information is. Where a company finds itself in what could be a momentary bad situation, or what they consider to be a difficult situation and it may never come to pass, they, in fact, inform their employees and that maybe really is all that should be done.

MR. SCHROEDER: Thank you, Mr. Speaker, to the Minister of Labour. In view of the fact that the opposition does have some concern about the routineness of these applications, I do believe that there is a purpose in knowing this. Several weeks ago the Minister indicated to the House that although there apparently was going to be a layoff he hadn't been aware of it because he had only received a routine notice from that company under The Employment Standards Act. We want to know whether we can assist the government in changing the Act to make sure that some of these notices will not be routine, so that the Minister when he receives them, will be forced to take some action to attempt to alleviate situations.

MR. MacMASTER: Mr. Speaker, if the Member for Rossmere will remember, I also discussed that particular point and I happen to feel that the system in place today is not only adequate, but I believe it's fair. I believe if a company can see down the road three to four months that there may be some difficulty, then it's more than fair to them and to the employees that they give some type of indication that there may be some difficulties and discuss the difficulties with the employees and the employees' association involved.

I also said, at that particular time, that it was my opinion that particular section of the Act was satisfactory and I had no intentions of making recommendations to my Cabinet colleagues, or others, to change or review that section. The Member for Rossmere, the Member for Churchill and several other people carried on quite a series of questions in the House here and I think I answered them all very adequately.

MR. SPEAKER: The Honourable Member for Kildonan.

MR. PETER FOX: Thank you, Mr. Speaker. My question is directed to the Minister of Labour. I would like to know whether the Honourable Minister has had any consultation, or his department, in respect to the Construction Trade Council in abrogating the notice re layoff to the construction industry workers as is contemplated in one of the bills.

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: I haven't personally, Mr. Speaker, but I understand that communications have taken place and discussions have taken place. I can confirm that.

MR. FOX: Yes. A further question in respect to the strike at Westeel—Rosco. Can the Minister give us an update and indicate whether the parties are now negotiating and whether he's had a report from the conciliation officer?

MR. MacMASTER: I'm going by guess, Mr. Speaker, but I think there was more than one offer made by our department to supply conciliation services and I don't know whether, in the last day or two or three, that offer has been accepted.

There are sets of circumstances where companies and unions decide, for their own reasons, I suggest they are valid reasons in their particular case, that they do not wish to have conciliation services. This government and myself, as the Minister, is not in a position that we're going to forcibly impose those conditions on people, that they must, in fact. That type of legislation was removed some considerable years ago, that forceful sort of an aspect.

We have offered conciliation services to those parties involved in that particular strike, and again I'm guessing, but I don't think, unless it's happened in the last few days, that they have accepted that offer of conciliation services.

MR. SPEAKER: The Honourable Member for Kildonan with a final supplementary.

MR. FOX: Yes, thank you, Mr. Speaker. I appreciate the answer the Minister gave in that regard and I would give him an opportunity to refresh his memory and inform the House further on that matter. In respect to AIE, can he give us an update on the AIE strike?

MR. MacMASTER: I believe that they have had — again, I'm guessing off the top of my head — I think two meetings in the last two weeks. Satisfactory conclusions had not been reached at that time and I think that's about all I can tell the member now.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I'd like to direct a question to the Honourable Minister of Mines. Can the Minister of Mines tell us what the final profit or loss was with respect to the last

financial statement of Tantalum Mines of which the people are a 25 percent shareholder?

MR. SPEAKER: The Honourable Minister of Mines.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, I can't offhand, but I'll see if that information is available.

MR. GREEN: Mr. Speaker, could the Minister undertake to get the information because it has been given to the House as a matter of course every year when the corporation used to report to the Manitoba Development Corporation. I believe I asked him for it during his estimates and he didn't have it at that time and I would appreciate it if we could receive it, so we know how much money we made last year.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Thank you, Mr. Speaker. I'd like to address a question to the Minister of Labour and ask the Minister of Labour whether he was notified, under the pertinent legislation, about the possible 400 workers reportedly to be unemployed by Versatile Company.

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Mr. Speaker, I don't know where the Member for Brandon East gets the number. I reported to this House there was in excess of 100 that were going to be laid off. I also reported to the House that those people had been hired to do a specific job and that was, if my memory serves me right, to put together swathing machines, an extra large order that the company had. It was in excess of 100 and we were told about it. They had been hired on a short-term temporary job placement and they all understood that. I don't where the member gets the number of 400.

MR. EVANS: Mr. Speaker, if my memory doesn't fail me, it was in this morning's headlines in the Winnipeg Free Press that there would be up to 400 people, 200 and I think another 160, and I haven't read all the details. But I wonder if the Honourable Minister would look into that and also, can the Minister advise the House whether he has notification of any other pending layoffs in the farm implement industry in Manitoba, including CCL or whatever?

MR. MacMASTER: Well, the answer to the question is no, I do not have other pending notifications on hand. None that I know of, Mr. Speaker, and I'm sure that Versatile is a responsible enough company that would have given appropriate notification if, in fact, there was additional people that were to be laid off. The farm implementation business, implement dealers' business is in bad shape in the province of Manitoba and I think we all understand why.

MR. SPEAKER: The Honourable Member for Brandon East with a final supplementary.

MR. EVANS: Well, I would have a question then for the Minister of Economic Development and ask the Minister of Economic Development if he is appraised of the situation at Versatile and whether his department has been working with that company, and whether his department is able in any way to assist the Versatile farm implement company.

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I had the opportunity to speak with the President of Versatile on Monday. The company was moving along on a graph that was moving up very fast and they made the investment in Manitoba; the graph at the present time is still moving up but it's a little flatter. They inform me that the problems are not just Manitoba, the size of the Versatile operation is one that would be impossible support because of the population of Manitoba, or the farm community of Manitoba couldn't support that size of an industry. —(Interjection)— Yes, it's worldwide and presently you have a drought in southern United States; Australia is having a dry spell. The President of Versatile was in Mexico with me, looking at markets there at the present time. They are a very large company and have a very large merchandising and sales staff and keep in touch with markets everywhere in the world because they supply all over the world, Mr. Speaker. So, I can assume the honourable member, we have been in touch. As a matter of fact their type of information and statistics can be very helpful to us, to get some of the information that we need. I assure you, they're doing everything in their power to keep their sales up and because they are worldwide, international, they will continue to move a lot of product, but it won't be on a high graph, it will be on a flatter graph during the balance of this year and probably half of 1981.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: Thank you, Mr. Speaker. Well the Minister for Economic Development has just indicated that he has talked to the President of Versatile recently, and I would ask the Minister if the President, during those conversations, advised the Minister of Economic Development of the potentiality of layoffs which are reported in the media today?

MR. JOHNSTON: I haven't seen the media today, Mr. Speaker, but Versatile Manufacturing is a responsible company, as the Minister of Labour says, and they have given him some advice and I am sure the Minister of Labour will check to see if there is any further notification from Versatile at the present time. No, the President did not discuss it with me when I saw him on Monday.

MR. COWAN: I would direct my supplementary question, Mr. Speaker, to the Minister of Labour and would ask him, if these media reports do prove to be founded, is the Minister prepared to sit down, with the management of Versatile and with the employees association, I believe it's an association at that operation, and invoke Section 35.1(7) of the Act,

which states that any manufacturer who has given notice must co-operate with the Minister in any action or program aimed at facilitating the re-establishment of the employment of the employees involved. Is he prepared to invoke that particular section of the Act and ensure co-operation between his department and Versatile toward finding supplementary or alternative employment for the numbers of people who are going to be unemployed due to layoffs?

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Mr. Speaker, there was absolutely no need for that particular question, our history indicates that we do that type of thing.

MR. SPEAKER: The Honourable Member for Churchill with a final supplementary.

MR. COWAN: I would ask the Minister of Labour, Mr. Speaker, then if he is prepared to direct his department to study the impact that the drought is having on the farm implement companies and other associated companies, as to the total impact that those layoffs and economic cutbacks will be having throughout the economy, for the purpose of developing programs that will enable the government to participate in an activist way in trying to deal with some of the widespread unemployment that is being created by conditions, not of their own making, but conditions with which they must deal. Is he prepared to direct his department to do such a study?

MR. MacMASTER: Mr. Speaker, our department works in conjunction with other departments in this government; they work in conjunction with industry and labour in the province and the type of process that the member is referring to is an ongoing thing in Manitoba.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON: Thank you, Mr. Speaker, I have a question for the Honourable Minister of Consumer and Corporate Affairs. Would the Minister consider changes to Bill 83 that would make rollback decisions regarding excessive rental increases compulsory and binding on landlords within the city of Winnipeg. during this phasing out period of controls?

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

HON. WARNER H. JORGENSEN (Morris): Mr. Speaker, that particular piece of legislation is under consideration at the present time and during the course of the debate I expect to be able to be making some comments on that subject.

MR. WILSON: Well then, can the Minister confirm that, based on the fact that it's assumed the bill will go through, that the complaints that are coming forward to the Minister's office, and all the problems to date seem to be within the city of Winnipeg only in the province of Manitoba?

MR. JORGENSEN: Mr. Speaker, since the city of Winnipeg and the city of Brandon are the only two places in the province that are under rent control, that does not surprise me.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Mr. Speaker, my question is directed to the First Minister. In view of the fact that the First Minister will be attending the Republican Party convention next week in the United States, I'd like to ask the Minister if he could indicate to the House in what capacity he's attending. Is he attending as Premier, Leader of the Conservative Party of Manitoba or has been swayed by his former colleague, Dick Culver, the former Leader of the Conservative Party in Saskatchewan, who is advocating secession of Western Canada from Canada and union of Western Canada with the United States?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I'm happy to inform the honourable member who's so curious about my travel habits, that I will be attending as Leader of the Progressive Conservative Party of Manitoba, as a private observer, at the convention of that great national party in the United States. Not unlike, I suppose, members of his party who freely attended the meeting of the Internationale or was it the International Socialist Movement in Vancouver, last year?

MR. PARASIUK: Yes, Mr. Speaker, as a follow-up to the Minister, I'd like to ask him if he would undertake to inform whatever Republicans he might meet in the United States, that despite the sentiments of some pitiful conservatives in western Canada who are advocating secession from Canada and union with the United States, that this is not the sentiment of the majority of western Canadians and of Manitobans in particular.

MR. LYON: Mr. Speaker, I've always found, in my political life, that it was never necessary to reiterate the axiomatic except amongst those who are trying, to perhaps take advantage of the bizarre. My honourable friends being more familiar with the bizarre, than are members of our party, I find no need to make that statement in the United States because I know that they know, along with all members of this House, that a strong national government is something that we are seeking in the present constitutional discussions, the continued unity of Canada is something that we are seeking in these constitutional discussions, and with good grace and God's will that will be achieved.

MR. SPEAKER: The Honourable Member for Transcona with a final supplementary.

MR. PARASIUK: Yes, Mr. Speaker, I know that the Minister is at great pains to try and downplay the bizarre happenings in the Conservative party in western Canada, but I'd like to ask him if, while attending the Republican convention, will he take up

the issue of the Garrison Diversion with the politicians of that major political party while he is there, in view of the fact that, to date, the efforts to stop the Garrison Diversion haven't been that successful? Will he undertake that matter?

MR. LYON: Mr. Speaker, the honourable member finally raises a serious point and I can say to him that, having had responses to the letter and to the brochure that I sent to all members of the Senate of the United States, having had responses from a number of the Republican Senators, including Senator Howard Baker, the leader of the minority in the Senate, and a number of Republican congressmen, should the opportunity avail itself for me to discuss with any of those gentlemen who have taken an interest in Garrison, I will most certainly take advantage of it, because it would be worthwhile to reiterate the point that Manitoba and Canada have been making with respect to that development. So we had that in mind and that will be certainly one purpose if the opportunity is provided. It is a large convention, however, Mr. Speaker, some 17,000 people and I'm looking forward to observing the progress there of the developments of common sense economics in the United States, developments which we are seeing taking place in most parts of Canada at the present time.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, to the First Minister. I was rather interested in his answer to the last question from the Member for Transcona. In view of the answer that the Minister of Natural Resources gave some two weeks ago that members from the Canadian House of Commons had made it much more difficult because of their direct discussions with American politicians, I wonder if the First Minister — and that included Conservative members of parliament from Manitoba — will be discussing that line of approach with his Minister of Resources to ensure that the type of misunderstandings and misinterpretations that the Minister of Resources made reference to would not be repeated by his direct discussions with Republican political leaders.

MR. LYON: Mr. Speaker, even though we have been accused, on this side of the House by members opposite, of grandstanding when we first took up the cudgels with respect to Garrison in their recent Senate debate, that was subsequently quietly withdrawn by the Leader of the Opposition, I can assure my honourable friend that we have had correspondence, as I have indicated, with a number of senators from the United States in response to our letters. If the opportunity avails I would be most happy to further explain our position to those people if they are available for conversation. And that, in no way, contradicts what my honourable friend, the Minister of Resources, was saying the other day, that people who attempt, without advice such as we were receiving from the External Affairs Department, to do a bit of grandstanding in Washington at the time the debate was on, we're not necessarily serving the cause in the best way.

MR. PAWLEY: Mr. Speaker, further to the First Minister, is he prepared to table those letters that he makes reference to that he's received from various political leaders in the United States.

MR. LYON: Mr. Speaker, on receipt of a proper Address for Papers and subject to the usual conditions of permission from the people who have responded, I'd be quite happy to lay them before the House.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. JUNE WESTBURY: Thank you, Mr. Speaker. My question also is addressed to the First Minister. In view of the probably economic advantages to Manitoba and to the nation as a whole, is the First Minister prepared to endorse the federal government's proposal to pre-build the southern portion of the Alaska Natural Gas Pipe Line as Mr. Lougheed has done?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I think that's a question that might be more properly be addressed to the Minister of Energy.

MRS. WESTBURY: Then I address the question to the Minister of Energy, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Mines.

MR. CRAIK: Mr. Speaker, I think I missed the important part of the member's question. Perhaps she could repeat it.

MRS. WESTBURY: All right. In view of the probable economic advantages to Manitoba and to the country as a whole, is the Minister responsible for Energy prepared to endorse the federal government's proposal to pre-build the southern portion of the Alaska Natural Gas Pipe Line as Premier Lougheed as done?

MR. CRAIK: Mr. Speaker, we haven't had cause to become involved in that kind of endorsement to the extent of Alberta for obvious reasons. The pipe line is entirely through the Whitehorse area, through the Alaska Highway and down through Alberta and then out of Alberta into the United States, so we haven't had reason to take a position in the same manner as the government of Alberta, but we have no reason to do other than endorse it. It certainly will have a spin-off effect for the industries in Manitoba and will be beneficial in that regard.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Yes, Mr. Speaker, I wish to revert to the question of the First Minister's attendance at the Republican Convention which I have no criticism to offer at all. I wonder if the First Minister would consider an intelligent disposition of the material presently before the House so more people could avail themselves of the opportunity of attending this convention, or still better, to do other things.

MR. LYON: Mr. Speaker, my honourable friend as usual makes the suggestion with only one view in mind. If he could convince those who sit to his right, and I mean that only physically not ideologically, if he could convince those who sit to his right to participate in that venture I'm sure that we would all accomplish that desirable aim with a bit more dispatch than we're doing at the present time.

MR. GREEN: Mr. Speaker, without telling secrets out of school, I can tell my honourable friend that I believe that I've convinced most of the people who sit behind him that it should be done in that way.

MR. LYON: Mr. Speaker, I can only respond by saying that my honourable friends who sit behind the Treasury Benches were convinced of that on the 20th of February. It's my honourable friends opposite we've had trouble bringing around.

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Mr. Speaker, the Member for Kildonan asked a question in relationship to Westeel-Rosco, whether conciliation services were involved and where it was at. I understand that neither party has accepted the offer of conciliation services in that particular dispute.

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

MR. A.R. (Pete) ADAM: Thank you, Mr. Speaker, to the Minister of Municipal Affairs. I thank the Minister for confirming that the price of hay is indeed going to be 25 a bale for the Red Lake hay that will be allocated there. Can the Minister confirm that the ranchers have indicated that they would prefer to go in there themselves and put up the hay at a much lower cost and remove it themselves? It's been suggested that they can do it for approximately 10 a bale and it would save them a considerable amount of money.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. GOURLAY: Mr. Speaker, I have not been contacted by any ranchers from the Swan Valley area saying that they would want to go in there themselves and put up this hay. I'd like the House to know that this is a very difficult area to take hay out of. It's remote in that it's some 75 miles from Swan River. As I had indicated earlier, there's about 10 miles of road that would have to be constructed to get in there. Quite often the weather breaks about August and becomes very wet and very difficult to undertake haying operations. I would be very very surprised if there were many ranchers that are very anxious to go in there on their own to put up hay. Again, you mention that they could go in there and cut the hay for 10, but I'm not sure that they are prepared to put in a road of 10 miles and make two river crossings on that 10 a bale. I think that the price, when you check out all the aspects of it, is reasonable. I know many people would not touch it at that price.

MR. ADAM: A supplementary question. I wonder if the Minister could inform us whether or not there was a special municipal meeting yesterday or the day before with ranchers to discuss this very problem of how this hay would be allocated.

MR. GOURLAY: Mr. Speaker, I understand that the Minister of Agriculture had a representative in the area, his Assistant Deputy Minister in there yesterday. There was an official from Municipal Affairs and I believe an official from Natural Resources, as well, meeting with the municipalities and the ranchers. I haven't had a chance to discuss with the Minister of Agriculture, I think he's still trying to get the information from these people. But I had indicated earlier that in talking with the Reeve of the RM of Minitonas that I had referred him to the Minister of Agriculture. I would like to correct that, to say that I'd referred him to the Department of Agriculture and particular officials in the office in Swan River, the Crown Lands representative and the Agricultural Representative.

MR. SPEAKER: The Honourable Member for Ste. Rose with a final supplementary.

MR. ADAM: Yes, a final supplementary, Mr. Speaker. Based on the estimate of five bales per acre, would the Minister confirm then that there is approximately 375,000 worth of hay in the area? While he's being coached from the Minister of Agriculture I'll . . .

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. GOURLAY: Mr. Speaker, as I indicated, this is a very difficult area. It's not just a straight block of some 2,000 acres you can go in and hay. It's broken up with willows and bush and there's some potholes and it's a very difficult area to assess how many acres of hay is actually there. There is some indication that there's 3,000 acres but that 3,000 acres would include a lot of bushland, willows, areas that couldn't be hayed and it would be very difficult to allocate hay to individual farmers because of the location of the hay in that area. As I indicated, it's not just a straight open area that would be simple to allocate.

MR. SPEAKER: Order please. Time for question period having expired, we'll proceed with Orders of the Day.

The Honourable Government House Leader.

ORDERS OF THE DAY

MR. JORGENSEN: Mr. Speaker, will you call second reading to Bills No. 87, 91, 92 and then 48.

MR. SPEAKER: What was the last one?

MR. JORGENSEN: 48.

SECOND READING — PUBLIC BILLS

BILL NO. 87

THE LICENSED PRACTICAL NURSES ACT

MR. WARREN STEEN (Crescentwood) presented Bill No. 87, The Licensed Practical Nurses Act for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. STEEN: Mr. Speaker, the major thrust of this revised Act is the proposal that the Manitoba Association of Licensed Practical Nurses become a self-governing body in itself for its members. At present the responsibility for licensing and standards and registration of Licensed Practical Nurses rests with the Minister of Health and the advisory council vested in The Licensed Practical Nurses Act of 1960.

The day to day administration of this present Act is carried out by the Registrar-consultant who is a civil servant within the Department of Health. Education of LPNs is carried out at the community colleges, the three of them in the province of Manitoba, and at the St. Boniface General Hospital here in the Greater Winnipeg area.

The Department of Health is aware of the proposed change to the self-governance of the LPNs and approves of the transfer of certain responsibilities to that association, Mr. Speaker.

The proposed Act provides for the establishment of a board and provision for an Executive Director Registrar. The revisions propose that the board assume responsibilities by regulation, subject to approval by Lieutenant-Governor-in-Council, for the registration of Licensed Practical Nurses and the maintenance of standards for the practice of Licensed Practical Nursing, including continuing education and the prerequisites for registration. The provisions also provide for the association to take responsibility for the discipline of its own members, Mr. Speaker.

The new Act provides for the establishment of an advisory council which will be responsible for the establishment of curriculum for the training of the Licensed Practical Nurses. The composition of this council will be determined by Lieutenant-Governor-in-Council.

The definition used, Mr. Speaker, for Licensed Practical Nurses is that the Licensed Practical Nurse must work under the direction of a medical practitioner and assisted by Registered Nurses in the care of acutely ill patients. This definition is most important and does describe the present practice.

Some of the highlights in the bill, Mr. Speaker, are — and I have given copies of my speaking notes to members of the opposition who I believe have a keen interest in this bill and would represent their political persuasion in handling this bill — so the highlights are on Page 2 of my speaking notes and I will go through them for you, Mr. Speaker.

The first one: The proposed legislation establishes the Manitoba Association of Licensed Practical Nurses as a self-governing body for the health workers known as Licensed Practical Nurses and would take over the responsibility now administered by the advisory council and registrar.

Secondly, the proposed legislation describes the practice known as "Practical Nursing" and "The practice of Licensed Practical Nurses" as

representing oneself as a Licensed Practical Nurse who can perform:

(a) Not being a Registered Nurse, or a person in training to be a Registered Nurse, undertakes the care of patients under the direction of a medical practitioner;

(b) Assists Registered Nurses in the care of acutely ill patients, rendering the services for which she or he has been trained; and:

(c) Prepares and administers medication prescribed by a medical practitioner.

Thirdly, under the highlights, Mr. Speaker, the proposed Act provides a clear means of protecting the public from those persons not qualified to engage in the field by setting educational and experienced standards for membership; restricting the use of the term 'Licensed Practical Nurse' to persons holding membership in the association and listed on their roster; imposing penalties on persons improperly calling themselves Licensed Practical Nurses; requiring employers to ensure that persons they employ are, in fact, registered; providing for a process of review for the qualifications and the performance of its members; providing a mechanism for excluding a person from membership who is found incapable.

I might point out, Mr. Speaker, that there is due process of appeal provided within the bill.

Fourthly, the proposed legislation is written so as to be understandable to the public and provide for lay membership on the board and committees.

Fifthly, the proposed self-governing legislation relates solely to the licensing and maintenance of practical nursing and does not include provisions for furthering economic goals of its membership.

Sixthly, Mr. Speaker, the legislation requires that regulations would be subject to the approval of Lieutenant-Governor-in-Council and thus published in the Manitoba Gazette and available for public perusal.

Seventh, the legislation requires a new advisory board to be established to maintain standards of practice among its members. The code of ethics will be that of the Licensed Practical Nurses.

Eighth, the legislation proposed provides for a review mechanism to enable individual practitioners to appeal a decision with respect to registration and disciplinary matters. Any person may file a complaint against a member. The proposed legislation clearly outlines procedures for each step of the appeal process outlining time limits, conduct of investigation, action which may be taken by the appeal body and requires notification in writing of the decision within a specific time. There is also provision for the participation of lay persons on the board, the complaints committee and the discipline committee.

Ninth, the legislation proposed provides for such items as the maintenance of educational standards, reciprocity and portability of credentials and credibility, accountability and continuing education. Such regulations are subject to approval of Lieutenant-Governor-in-Council. The regulations which are subject to the approval of Lieutenant-Governor-in-Council will propose that the association be responsible for the continuing education of its members on a voluntary basis.

I might point out to members that may have a copy of the bill as printed, within their possession, three or four amendments that will be coming forward. On page 3 of the bill, Mr. Speaker, this is Bill 87, The Licensed Practical Nurses Act, on page 3, 5(1)(j), which is about two-thirds of the way down on that page of the bill, where that will now read, "ethics among its members, and maintain a code of ethics for . . ."

MR. SPEAKER: Order please. May I suggest to the honourable member if he's going to talk about amendments, the proper place to do that is at committee, not when you're introducing a bill for second reading.

MR. STEEN: All right then, Mr. Speaker, I'd like to conclude by saying that there are a few minor amendments, in my opinion, that are going to be proposed by myself at committee stage. This bill was printed a few weeks ago and has been in the hands of the members of the public and I know that members on my side of the House and members on the other side of the House have received calls from other nursing bodies respecting certain parts of the bill. I believe that myself, along with people in the Department of Health, have met with interested parties in other areas of nursing and have come up with some satisfactory changes that are acceptable to all fields of nursing, and therefore I might conclude, Mr. Speaker, by saying that there will be some amendments at committee stage.

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Lac du Bonnet, that debate be adjourned.

MOTION presented and carried.

BILL NO. 91 - AN ACT TO AMEND THE BRANDON CHARTER (2)

MR. SPEAKER: Bill No. 91 — The Honourable Member for Virden.

MR. MORRIS McGREGOR presented Bill No. 91, An Act to amend The Brandon Charter (2), for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Virden.

MR. McGREGOR: Mr. Speaker, I am pleased to have been asked to sponsor this Bill 91, An Act to amend The Brandon Charter (2). Basically, there were other members that could have sponsored this, but when they came to me, I felt reasonably at home, I think of Brandon probably as my city. It's the closest city to my residence and I feel close to many of the council people, and observed that when there's a drive on such as the Heart Fund, Bowl-athon, Curl-athon, the Big Brothers, they always invite me there and I feel right at home. I generally

have to control my urge to win, to be a bit of a sport and let someone else beat me, but always there's a lot of fun, and for that reason I feel quite at home in sponsoring this. I followed the Brandon News and the things going on at Brandon over the years, and at times I have been quite aware that a particular one who I would say is a very capable council person, has had to resign because they indeed changed residence to another part of the city, and I think that was unfortunate for that man or woman. It also was an expense to the city of Brandon.

Further, I think what it really does, when you look at our other cities in Manitoba, such as Flin Flon and Portage, Thompson, they elect their council people at large, and I think a large city is different than a smaller city. Brandon is a good compact city, that one can be living in the northeast corner and easily serve the people at the southwest corner. Also I think that at one time they did have this. In the mid-Seventies a move was made, and while it's not life and death to Brandon, and no one could get involved to that extent that it's an advantage, they think, and I kind of think along with them.

I might just report that on May 26th, the Committee of the Whole met and the motion for this bill was put; it was a 5-4 vote with two absent members, so it does show there's feeling on both sides. The Council later met on June 2nd to hear briefs from members who either were for it or were opposed, and as I am told, there were two ex-councilmen made briefs, former Councillor Badgley, who was against this particular bill, and former Councillor Terry Pentland was for it, so again, it shows there is feeling both ways.

Later on that same day, as I have it here, June 2nd, the report was adopted and no recorded vote was taken. I've talked to, casually talked, because I come through Brandon — it used to be earlier Fridays going home, and Monday mornings coming into Winnipeg; now with Speed-up, I don't have that chance — and I have run into people and had coffee with them, and I'm not trying to sort out the ones of my political favour or others, but people like Terry Pentland, Paul Hudy, he had served on the council, and I might say to the Honourable Member for Fort Rouge, I am inclined to believe that they're a little of her political thinking, but I guess I can't change that. But there are also other people, like John Henderson, a very capable alderman, who had to resign. I didn't know John that well, but certainly I knew his wife, who worked very conscientiously for my political party. He not only resigned, he was working for a brand new firm and he now resides at Minnedosa. I don't say that had this bill been passed that he would still have been in Brandon, but I'm inclined to think he may have.

Those are the things that I believe that this bill is trying to rectify. If Brandon had been asked to have some input into this, and I believe it was 1974, I think they would felt maybe a little better. There were reasons why they were not asked when this residency clause was put in. Basically, that is my argument, or if it is an argument. I can see some problems. I can see, knowing a little bit of politics, there's power struggles, and it could be opened up to that kind of approach, but then if that is so, the onus comes right back on number one, the residents

of Brandon, who can make sure that doesn't become a fact.

So, with that, probably, I hope that this does go on to committee stage and I'm sure there will be briefs in from Brandon, both pros and cons, I would imagine. In any case, I feel right at home in presenting this. I think if my reeve in my territory came in with the exact opposite view, I would support him because there are some reeves . . . Again, we're talking 30 or 40 miles over talking of a city of maybe 6, 10 miles from corner to corner. I think that this is a problem that has been discussed at municipal conventions over the years, both in support of this type of thing and the complete opposite for the municipality. If the municipality come in, I would feel just as at home saying that my councilman, I believe, should live in my ward because there's a lot of mileage, but in the city I think it's different, especially a medium-sized city like Brandon. I think this is a progressive move, not only for all of the citizens of Brandon but for the taxpayers of Brandon. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Logan.

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

MOTION presented and adjourned.

**BILL NO. 92
AN ACT TO AMEND
THE VETERINARY MEDICAL ACT**

MR. JAMES R. FERGUSON (Gladstone) presented Bill No. 92, An Act to amend The Veterinary Medical Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. FERGUSON: Mr. Speaker, this bill was passed originally in 1974. Basically all this is going to do is it's clarification rewording. The board is the regulatory body; the council has six members. The bill gets rid of the definition of gross negligence and incompetence. It puts the election of a council on an ongoing basis. It simplifies the procedure by which colleges and universities can be recognized and complaints made to the board about a vet. The board may dismiss a complaint if it is deemed to be vexatious or frivolous. There will be two weeks' notice of an inquiry against a member.

The powers to limit a practice under condition where a vet appears deficient in some ways. The board has power to collect costs of filing an order in court, appeal on the record of evidence submitted to the board, rather than new evidence submitted to judges, as is presently the case.

Registered vets may employ technicians who meet standards proscribed by by-laws of association but who may not have passed any technical courses proscribed by association.

As you can see, Mr. Speaker, it is fairly short and it's more or less a bill to clean up some of the ambiguities, or whatever you may want to call them, in the existing bill.

MR. SPEAKER: The Honourable Member for Logan.

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

MOTION presented and carried.

**SECOND READING
GOVERNMENT BILLS**

**BILL NO. 48
AN ACT TO AMEND
THE LEGISLATIVE ASSEMBLY ACT**

MR. LYON presented Bill No. 48, An Act to amend The Legislative Assembly Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, the amendments contained in Bill 48 essentially are divided into two parts. The first portion refers to the implementation of the recommendations made by Mr. Justice Hall with respect to salaries and indemnities for members of the Legislative Assembly. The second portion is a re-enactment and the cleaning up in a drafting sense of those portions of the same Act which refer to the pension plan for members of the Assembly.

To the best of my knowledge, there is nothing substantive by way of change in Part 2 of the legislation and I will, of course, be prepared at committee stage to answer any questions in detail that may arise with respect to Part 2. I suppose it would be fair to say that the attention of the members will be more attracted to those few sections contained in Part 1 of the Act which do deal with the recommendations of Mr. Justice Hall.

May I take the opportunity, Mr. Speaker, to express the thanks of the House to Mr. Justice Hall for undertaking this task of review on behalf of all members of the Legislative Assembly and thank him for the work that he did in compiling his report and making it available in a short time for all of us to consider. That report, Mr. Speaker, and its attached schedules of comparisons show a number of interesting things with respect to the level of remuneration that is paid to members of this Assembly, whether as members in other offices that they may hold or as members of the Executive Council, or as Leader of the Opposition.

Without attempting, Sir, to read all of those figures into the record because the report is and has been available to members now for many months, let me draw some general conclusions from the tables of comparison.

They show, first of all, that the members of this Assembly are the second lowest paid of any members of a Legislative Assembly in Canada. They show that the Leader of the Opposition is the second

lowest paid of any member holding that position in Canada. They show, Sir, that your office and the remuneration that is attached to it is the second lowest of any Speaker in a Legislative Assembly anywhere in Canada. They show, Sir, that your Deputy Speaker is receiving remuneration at the second lowest level of anyone in that position in Canada. They show, Sir, that the person holding for the time being the position of the First Minister in this House is the lowest paid of anyone in that position anywhere in Canada. They show, Sir, that the positions of the Ministers, the members of the Executive Council, the indemnities that they receive in those positions are the second lowest paid to any other Ministers holding comparable responsibilities right across Canada. The comparison that is drawn by the judge, again, with respect to the four governments of Canada shows that in all categories, that is, the members' Executive Council and so on, Manitoba in all categories pays the lowest amount of the four provinces of Manitoba, Saskatchewan, Alberta and British Columbia.

Sir, there are other comparisons that are shown on that table with respect to public service positions in this government and in this province. The Ministers, by and large, members of the Executive Council are all by and large now receiving something in the area of 10,000 to 17,000 per annum less than the Deputy Ministers who are appointed to be the chief administrative officers of each of the departments. Members will be aware that when the recent round of settlements was arrived at with the Civil Service, Manitoba Government Employees Association, that the same levels of remuneration increase were accorded to the senior levels of government staff in Manitoba. While I don't have that schedule in front of me, my memory leads me to believe that the top Civil Service position, that is Senior Officer 6, I believe it is, the top rank of that is now in the area of 53,000 to 54,000 and ranges, of course, down through the senior officer levels to about 46,000 being the minimum that Deputy Ministers receive at the present time. Hence, I say in general terms, that Deputy Ministers' salaries in this province now, run on average 10,000 to 17,000 more than the salaries that are received by the Ministers.

The Mayor of Winnipeg, Sir, receives more than any member of the Executive Council in this province, or the Leader of the Opposition. The President of the University of Manitoba receives double what any member of the Executive Council or the Leader of the Opposition receives. The President of the University of Winnipeg receives a salary well in advance of those that are intended to be applied to the Executive Council, the Leader of the Opposition, the Premier's office in Manitoba, and on and on it goes.

I know that from time to time we hear and possibly in the debate last week on Supplementary Supply we heard the statement made, well, until Manitoba's minimum wage is raised why should the salaries of members or of the Executive Council be raised. I can only point out in that regard, Mr. Speaker, first of all, it's a comparison of apples and oranges but, even assuming that there could be a comparison made in that respect, the last information I had in that regard was that Manitoba's minimum wage was about the third highest in Canada. So for those who would

argue in that regard, they would also then have to accept, I suppose logically, the suggestion that Manitoba's Executive Council and MLAs' salaries should go up to the third highest in Canada rather than to the fifth or sixth level, which will be the result of the recommendations that were contained in the Hall Report. But I do not give any credence to that argument. I suggest that it is more a rhetorical kind of political argument that we hear from time to time and one that deserves only that kind of consideration.

With the increases that are proposed, Mr. Speaker, members of this Assembly will be placed sixth in rank of the provinces with respect to the indemnities and expense allowances that they receive, somewhere just around midway in the country. The Executive Council will be in the same category, around sixth in rank, and the Premier of the Province, the salary that accrues to that office, the same, roughly equivalent to Saskatchewan but still behind that which is paid to Ministers holding comparable responsibility and the Leader of the Opposition holding comparable responsibility in the province of Saskatchewan, a province which has of course a smaller population, a slightly smaller budget and so on, than the province of Manitoba, to the extent that those comparisons are of interest for the record and to honourable members of the House.

I think that they are of interest because there is no set way in which this task can be undertaken by any government when it sets its mind to updating the salary schedules for elected members and that is pointed out, of course, by Mr. Justice Hall. Perhaps it would be opportune, Mr. Speaker, to read a few excerpts of the Hall Report into the record because they do bear some consideration and they form some of the rationale for the recommendations that appear in this bill.

I would point out that on Page 2 Mr. Justice Hall made this point, which has perhaps escaped the attention of some, and I'm quoting from the paragraph on Page 2, paragraph 1 which says: "As well, opinions were sought from present and former elected and appointed officials in the public service, also from representatives of business and labour." He went on to say, and I'm quoting selectively from the report which is freely available to all members: "In the final analysis, the decision is one for government, having regard to the information at hand". There is no commission, there is no other group upon which government can foist this responsibility. Much as all governments at all times would like to be able to say that it was automatic and it away from government's hands, government has to accept ultimately the responsibility for dealing with the matter of the level of remuneration of the members of this Chamber in whatever capacity they serve it. The Judge went on to say: "Hopefully this report will be helpful in this regard", and really that's all he can do, is to make a report that will be helpful to government in arriving at a decision.

I make this further quote after referring to the fact that he consulted broadly in this regard, he said, and I quote, "Those interviewed agreed unanimously that everything possible should be done to attract a broad base of participation in elected office; that is to say, persons of varied background, training and experience. One of the ways of achieving that goal

would be to provide a reasonably attractive level of compensation that reflects the duties and responsibilities of elective office and the prevailing remuneration of non-elective office in the public and private sectors."

Again he continued, Mr. Speaker, "Government is pervasive and complex. Informed debate and decision is the order of the day. The demands of the members are ever increasing, both during and between sittings of the Legislature. It is a full-time calling or nearly so. A member is virtually on call 24 hours a day for most weeks of the year. For rural members, a great deal of time is spent travelling to and from and in the constituency. They are separated from family and friends for many months of the year."

And continuing the quotation: "For members of the Executive, there are added duties and responsibilities. There is a full-time position at all times of the year, involving many extra hours. The legal and self-imposed constraints of their office preclude the carrying on of any trade, profession or calling. They have precious little time for social and family life. Their sacrifice should not be understated or go unnoticed. On a change of government, the adjustment to pre-electoral activity is oftentimes difficult and trying."

He again on Page 4, points out that "There are those in elective office who serve out of a sincere desire to improve the quality of life for all Manitobans." Mr. Speaker, in my experience in this House, since 1958, I know of no single member in my experience, who did not serve, to use the words of Judge Hall, "out of a sincere desire to improve the quality of life for all Manitobans", regardless of his political stripe or of his party. I have never met a member of this Legislative Assembly who, according to his likes, was not trying to fulfill that aim.

To continue the quote: "They like their work and they are less interested in monetary considerations than in devoting themselves to public service", and that, more often than not, is the case. But the Judge continues: "Laudible as that dedication is, it ought not to be taken advantage of by not providing a reasonable level of compensation." I think that is equally worthy of consideration.

The Judge continues by saying: "The study of the remuneration paid to elected officials in all of the provinces for 1979 is both revealing and somewhat surprising. For example, the salary next to the office of the Premier of Manitoba is the lowest of any province in Canada and it has not been revised in 12 years. The total remuneration which the holder of that office receives is less than that received by the Premier of any province in Canada, save and except Prince Edward Island. The same may be said of Ministers of the Crown in Manitoba."

He goes on to point out, of course, that: "Those salaries and those of the Leader of the Opposition have not received a salary increase in over 12 years", and goes on to make his comments in that regard.

Again he points out on Page 6, Mr. Speaker, and I quote, "The conclusion is clear that the present level of remuneration for elected members of the Legislative Assembly is in need of upward revision."

There are other quotations that he makes further on in the report, Mr. Speaker, that I think are

worthwhile to put into the record because they are third party statements by a person who was appointed. I'm sure that each one of us, in our own way, could make a similar statement, but I think it's worthwhile for the record to indicate what the man charged with the review of this said from his standpoint, a man who was never in an elected position in this House or in the House of Commons, although I do believe that in his earlier years he may have served at the school board or public, at the council level.

I quote from Page 9, "Although the recommendations on increased remuneration for members of the Executive Council represent a significant percentage increase, the actual amounts reflect 12 years of neglect and would place Manitoba in a sixth-place ranking of the 10 provinces in terms of total remuneration, and not last or second-last place, as is presently the case. It is not perfect compensation, but is a reasonable level in terms of national and regional considerations. Nothing less will do for members of the Executive Council."

Again, Mr. Speaker, in the final pages of his report, the judge deals with the matter of office accommodation and secretarial staff for members. He received, naturally, advice from, I'm sure members of this Chamber, and elsewhere, about better accommodation, better services and so on for the members, and made the recommendation that, on page 12: "The Executive Council should address this subject and move toward its resolution without delay, the subject being, suitably appointed offices, with secretarial assistance." I can report that the Minister of Government Services and his department have been looking at this recommendation since it was made and we are hopeful that before too many more months elapse, that there will be more adequate accommodation made in this building, for all members of the Legislature. Mr. Speaker, it is not part of this bill, but I want the honourable members to know that the Minister of Government Services and his staff have been working on that precise point and there will undoubtedly be some liaison between the appropriate members of the parties to deal with that some time after the House rises.

He made a recommendation as well, Mr. Speaker, about a proper review mechanism; he said perhaps a Committee of the House could be established to address that question. I really don't know, Sir, whether a Committee of the House is the proper form to talk about a continuing review or not. Under legislation that is before the House at the present time dealing with election expenses, we are contemplating the establishment of an electoral commission. Whether or not that commission, which will contain representatives of the Opposition and of the government, might be a commission that could consider this topic in future times, is something that we should perhaps all ponder upon, but at this stage, like the judge, we have no final answer to suggest, because ultimately, the responsibility for this lies with this Chamber and with no one else, and we can't push that responsibility on to someone else, because even if they do make a recommendation, then that recommendation must be validated by all members of this Chamber.

I pointed out at the beginning, when the judge was commenting on his methodology, that he had contacted retired members of the Legislature and spoken to businessmen and members of the labour community as well. On page 12, he says this:

"Those interviewed agreed unanimously that the present level of remuneration received by members of the Executive Council is inordinately low and should be substantially revised upward, with a lesser adjustment for other Members of the Legislature." I read that point into the record, Mr. Speaker, because again, I think it should not go unnoticed that the word "unanimously" was used in there. The judge, in other words, found no one with whom he consulted, who did not agree with the proposition that he has put forward in his report.

Well, Mr. Speaker, the report, as I say, is there for all to read; we've had it in our hands for some several weeks, or months. I think the report largely speaks for itself, but I did think it was worthwhile perhaps to refresh the memories of all of us with respect to some of the points that the judge makes in that report.

With the increases that he is recommending, I think as I mentioned before, Manitoba would end up about sixth in rank of all of the provinces with respect to this kind of remuneration.

In closing, Sir, may I make this comment, and I'm sure that everyone who has stood in this particular position in this House at any time previous has felt it, if not said it, that it is never a popular move, or is never felt to be, by any government or by any government leader, a popular move to introduce increases in salary. Well I think the point has been well established that there is no other form which can do that job but this Legislature. But, Sir, I feel no personal qualms about it, in this sense, because the increase that is being recommended for the consideration of the House, is reasonable, and it is just. And it takes account of the fact of the comparative salaries for members serving in similar capacities right across the country, and does that, I think, in a very reasonable, and if I may say so, without being offensive, using a small 'c', a very conservative way. I believe, Sir, that it is a disservice to the public to pretend somehow that low remuneration in Canada for elected representatives is somehow a virtue; I have never been able to see that proposition demonstrated, to be one that is helpful to the public interest.

I can say as one who has had to try to recruit candidates for public office over a span going back now to the 1950s, that the present ranking of remuneration for members of this Assembly, for members of the Executive Council, for the Leader of the Opposition and so on, has the tendency, in some cases, certainly not in all, but in some cases, to keep good men and women out of public life. I've seen that happen. The Member for Brandon East nods in approval. I'm sure we've all seen that happen, where people in effect say, I can't afford to run for public office, because if I'm put into the Cabinet, or if I have a full-time responsibility, I simply can't afford to do it, and my first obligation — I've heard it said by men and by women — my first obligation must be to look after my own family responsibilities first. That is why I say, Sir, that there is no virtue for that kind of short-term political gain which some seem to feel

attaches to this. There is no virtue in trying to maintain the lowest level or the second-lowest level of salaries of any province in Canada, because in the long run, that is destructive of and prejudicial to the public interest.

The executive salaries, of course, Mr. Speaker, as has been said, Executive Council, Leader of the Opposition, no adjustment has been made since 1967. I make no apologies for the — even though it's not contained in this bill, I speak of it because the bill and the supplementary supply are contemporaneously before the House — I can think of no area of full-time employment in Canada where there has been no adjustment in the salaries of elected members, or indeed of members in the private or the public sector. Nowhere is that the case. If we accept the premise, as I'm sure we all do in this House, and we've heard manifestations of it during the recent strike in the public sector, affecting some of our hospitals and so on, that public service, that is everyone from the Deputy Ministers and other ranks in our departments and those who are directly or indirectly funded by government, should receive comparable and competitive rates of pay, and that, I think, is universally accepted in this House. If we accept that then for those who serve the public in an appointed capacity, how can we deny that same principle to the 57 members of this Legislative Chamber, including those of the Executive Council and the Leader of the Opposition. If you put the proposition in that sense, Mr. Speaker, it becomes very very clear that what we are doing is merely what we advocate for all others, over whom we have some sense of direction and administrative responsibility in this Chamber.

The duties of members today are onerous. We're in the final weeks of perhaps one of the longest regular sessions that this Legislature has had. And that is not a matter of complaint. The members are here to debate matters as they see them, according to their lights, and the government has a responsibility to ensure that sufficient time is provided for that full and free debate, and I think, with fairness, Sir, that we can't be accused of cutting off that debate in any way at all. But we are in the midst of a five-month session. This is not probably the first, there were longer sessions before, but there were peculiar circumstances attached to them. But it's not going to be the last five-month session that we have, because the area of responsibility that this provincial government and provincial Legislature has under its control now, measured in dollars, and that's only one measurement of it, is a budget in excess of 2 billion annually. I don't think that we do any service to the administration of those affairs by somehow or other thinking that the public approve the idea of short-changing the pay of members of the Legislative Assembly. I don't run across too many members of the public who think that we do them any service when we short-change the pay of the members that they have elected to be their trustees in government, in the management of the biggest business in Manitoba, namely, the government of Manitoba.

So as I've said, Mr. Speaker, it is never a popular move, but I have no qualms about bringing it forward, because it is a reasonable adjustment to the salaries of the members of this Chamber, and the

current recommendation with respect to the Executive Council, the office of the Premier, the office of the Leader of the Opposition, are equally reasonable. I'm sure there will be those who believe otherwise, and I'm sure that there will be those who will stand in this House and speak contrary to what I have said today. Without imputing any motives at all, in any way, Sir, to any one who takes a contrary position, I merely say this, that governments must and should avoid the kind of short-term political gain that some people think accrues to opposing or not bringing in a reasonable increase in salary. That is not in the public interest, and I think that the government has to take the responsibility, as the previous government did from time to time, to bring forward legislation of this kind when it is obviously needed, and this government is taking that responsibility. If the office and the responsibilities deserve more remuneration, as indeed it has been demonstrated over and over again that they do, then this bill deserves the support of the House, and it is in that sense, Mr. Speaker, that I commend this bill to the approval of the House.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I would like the First Minister to reflect on his words that nobody should seek short-term political gain by trying to degrade the work that is done by members of the Legislature, or the salaries which they are entitled to. I certainly, Mr. Speaker, subscribe to that. The difficulty that we always have in discussing this question, is the question of alleged sincerity, or the reasons for doing it, and the First Minister has made sufficient qualification to cover all grounds, although he said that some may seek political gain, he does not question the sincerity of anybody who gets up and deals with the question.

I want to indicate, Mr. Speaker, that in my view, the one move on this question that most represents and characterizes an attempt to realize short-term political gain, was the first session of this Legislature. The first session of this Legislature was a four-week session. It's true that the number of days was less than four weeks but if one takes, Mr. Speaker, the fact that we were in Speed-up and ascribes to the number of days that we spent, they will see that it was a four-week session, for which the Prime Minister, the First Minister and his government, in what I suggest could be construed, because I don't want to challenge the sincerity of anybody, but which could be construed as an effort to obtain short-term political gain, paid the members of the Legislature, virtually the minimum wage, it was 666.00 plus the 300.00 allowance and it was done, Mr. Speaker, on the basis that we are coming in and we are not going to cost the taxpayers money. I suggest that that is what happened.

Therefore, let's not adopt a holier-than-thou approach about who is seeking political gain on this question, and let's try to assess each other by realizing that there can be differences of opinion on this question. I believe, Mr. Speaker, that I have been consistent in my position on this question from time immemorial. I have never been preoccupied with the salaries of the Legislature. I think that one of the

reasons that the New Democratic Party saw so little salary increases, was that there were enough of us, I don't claim all of the credit for it, that there were enough of us, who also felt that we were much more preoccupied with other things than with the salaries of the Legislature, and I believe, Mr. Speaker, that none of us suffered.

First of all, let's destroy this myth about the salaries of the Ministers never having gone up. It's true that the allocation to the Minister didn't go up, but our salaries went up because we were MLAs, and when the MLAs salary went up, then our salary went up. It didn't go up in the same percentage terms as an MLA's salary went up, except we didn't know what other income the MLAs were getting. In other words, an MLA could or could not have other income and that was never a feature of our discussion. What we knew is that if we were earning 28,000 — I can't even remember the figures — when we started, that the next year it would go up by some 2,000 and the following year it would again go up, and that is still built into the legislation. So let nobody be driven to great sympathy about the fact that somebody was on a fixed salary. The salary went up. It went up both in percentage terms and in absolute terms because there were different kinds of increases and, Mr. Speaker, the value of that pension has not been added to these salary increases. This is a very substantial pension. If someone took that pension and valued it actuarially and put it on top of the salary, it is a very very good thing to have, I don't wish to degrade it, but the pension is that you will receive up to 70 percent of your income for the rest of your life on the basis of a contribution.

Has Mr. Justice Hall figured out how much it would cost an individual to buy that type of pension and add it to his salary? And indeed, Mr. Speaker, last year there was a roll-in of pension benefits to those who applied for it, of getting roughly, I would think, as much as 3,000 a year for life by paying something like 7,000 into a fund for certain people. Who has valued that and characterized it as part of a pension?

Now, Mr. Speaker, I believe that people of high quality should be drawn into public life and the First Minister read that clause. He read Mr. Justice Hall's statement that everybody unanimously agreed that people of high quality should be attracted to public life. His next sentence he doesn't say everyone unanimously agreed. He says, one of the ways of attracting people is to make sure that they get a decent salary. But none of those ways was used to attract the people in this Chamber, none of those ways. All of the people in this Chamber were attracted here on the basis of either lower or the existing salary. So somehow these high quality people, and I suggest, Mr. Speaker, that they are all high quality people: The First Minister, the Member for Brandon West, the Member for Lakeside, the Member for Fort Garry, the Member for Lac du Bonnet, the Member for St. Johns, all of these people are high quality people —(Interjection)— The Member for St. Boniface. Mr. Speaker, many of them, because they get satisfaction out of this, and the Minister referred to it, probably some of them could have better income outside the Chamber than in.

Now, Mr. Speaker, there is no use arguing this question in monetary terms, saying that we should get more or we should get less. There has to be a different way of arguing and, Mr. Speaker, I suggest that I have a different approach to arguing this question. I believe that this bill should be passed, to be proclaimed, Mr. Speaker, at the opening of the next Legislature because then, Mr. Speaker, the people will be attracted to public life, not who are here but who are running for office next time. By the way, I believe that we are entitled to salary increases. I believe that the formula that was set by the New Democratic Party government, and I wouldn't even object strongly although it would be a compromise — you see how reasonable I am and how compromising I am — I wouldn't object if the indexing was done on the total because we used to index only on the MLAs salary, isn't that right? We didn't add a percentage to the Cabinet Minister's salary. —(Interjection)— Exactly. Mr. Speaker, you see how compromising I am. I mean, I'm coming in here all full of kindness, sweetness and light. I am suggesting that Mr. Justice Hall's report should be taken cognizance of; that the members here who all ran for office on the basis of what salary was then being offered and the knowledge that there was an increase; that I'm prepared to say that the Cabinet Ministers shouldn't be shortchanged on that increase; that they should get the indexing that was allowed to the MLAs so that their total salary would be indexed, which means if the index was 2,000 it would be 4,000 for a Cabinet Minister, roughly. —(Interjection)— I'm not retroactivating anything. I mean, I am sweetness and light so far, that's it. —(Interjection)—

But, Mr. Speaker, the best way of determining that this is a sound proposition would be to determine that it has nothing to do with our personal position, nothing whatsoever, unless —(Interjection)— Pardon me? I'm paying the office, that is correct. The Honourable First Minister is correct.

I am suggesting that this bill, and I haven't even looked very closely at the figures, Mr. Speaker, but I assume that the figures could be lived with; that this bill be made to apply to the members — what are we? The 21st Legislature, or something? The 31st. That this bill be effective as at the date of the Thirty-second Legislature. Now there is no motion that this bill not now be read but be read at the Thirty-second Legislature. As a matter of fact, that would defeat my purpose. I am suggesting that we vote this and vote it for those people who we are going to attract to public office, who are going to see that there is a salary who, some of us, and it's very difficult to say which ones those are because nothing is certain in politics, but some of us could predict to ourselves, well, that's going to be me anyway. But that prediction has not always turned out to be right and I expect that there are going to be substantial changes in the next Legislature, and we will be performing a tremendous public service by doing what the First Minister says, without having any relationship to the members now sitting in the Legislature.

MR. DEPUTY SPEAKER: The Honourable Member for The Pas.

MR. RONALD McBRIDE: Mr. Speaker, it was very interesting this morning to listen to the enlightened, diplomatic, rational comments of the First Minister, of kindness and sweetness and light that the Member for Inkster mentioned, from the First Minister, where the First Minister says that the public would disapprove of us of shortchanging the public servants, ourselves, in the province of Manitoba; where the Minister said that we shouldn't, with this issue, providing reasonable remuneration to people in public life who shouldn't play any political games; the First Minister saying that any political gaming with this issue, that would be destructive and prejudicial to the political process that we're involved in; where the First Minister says the government must oppose any short-term political gain on this particular issue; where the First Minister says this is obviously needed because the members of the Legislature who were elected here deserve to be remunerated decently and fairly for the work that we do.

Mr. Speaker, that was all very nice and that was all very diplomatic on the part of the First Minister. But, Mr. Speaker, I would not like to use any unparliamentary words to describe that statement. I will not say that it was hypocritical. I will not say that it was dishonest. I will not say that it was phoney, Mr. Speaker, but I would certainly like to say those things about what the First Minister said this morning in light, Mr. Speaker, of the game-playing that this First Minister has engaged in since October and before, of 1977, in regard to this issue.

The Member for Inkster mentioned it. We had a session, a four-week session for these people who deserve to be appropriately paid for the hard work that they do on behalf of the people of Manitoba. We had a session where we were paid 1,000, Mr. Speaker. —(Interjection)— Well, 666, Mr. Speaker. Then, Mr. Speaker, with the big announcement and big fanfare in terms of the restraint of this government, the posturing that this government took and this First Minister took, which can only be described by using unparliamentary words, to cancel the cost-of-living increase for all the MLAs.

Now, Mr. Speaker, nothing could be more two-faced or would lean towards being two-faced, so I won't be unparliamentary, Mr. Speaker, and nothing could, if not that, could be described as phoney, hypocritical and dishonest on the part of this First Minister, who is so rational this morning and so sweet this morning in discussing this issue.

The game was played, Mr. Speaker, the game was played by this First Minister who made this most diplomatic speech this morning and he played the game to the hilt. He played the game in terms of the 600 session. He played the game in terms of cancelling the cost-of-living increase for members of the Legislature. He played the game with the number of Cabinet Ministers. He made a big issue on appointing less Cabinet Ministers than the previous government, and now there's exactly the same number of Cabinet Ministers. He played the game with so many other issues, and this was one especially where the game was played to the hilt for short-term political game that was destructive to the political process; that the public would disapprove of and that governments must oppose. All the things that the First Minister said this morning must not

happen, is exactly the way he played the game in 1977 and exactly the way he played the game in 1978.

So what do we have? What led to this diplomatic rational speech here this morning on the part of the First Minister? I would suggest, Mr. Speaker, that it's not because of all this rational justification that we had this morning. I would suggest it's because of pressure that the First Minister of this province got from his backbenchers and from his colleagues, and that's the reason that he appointed the Justice to look at this matter and that's the reason why we have this before us, even though the First Minister wants to pretend it's only reasonable and rational. In light of the game-playing before, why do we have this flip-flop from the First Minister? Why is he now being rational and he just wanted to play games for the first two years that he had the privilege of leading this province? I suggest it's because of the pressure brought to him by his colleagues and the dissatisfaction within his own caucus over his actions and over the unrealistic game-playing that he had done in those first two years of office.

What has exaggerated the situation for the backbenchers on that side of the House, Mr. Speaker, is the fact that they are not having things happen in their own constituencies that they know should be happening, that the people who elected them to have happen, and that this government is not now doing. So what we have, in effect, Mr. Speaker, is the First Minister trying to keep some contentment with the backbenchers on his side of the House because of the government policy and the government actions that is hurting most of his members in their own constituencies in terms of being able to assist people in their own areas, get the kind of action, get the kind of result, get the kind of programs they expect from government, and with that dissatisfaction and discontent on the part of the backbenchers opposite and some of the Cabinet Ministers opposite, because we've had some of the Cabinet Ministers say things in their own constituency that are different from government policy in this House. We had the Member for Swan River do that in regard to Crow rates.

Mr. Speaker, we have that kind of dissatisfaction because those people being elected and being politicians know that they have to do a certain amount in their own constituency, that they have to deliver a certain amount in their own constituency, that government programs have to reflect the priorities of their own constituency and this has not been happening. Some of those backbenchers know they're in bad trouble. Some of them know they're going to be defeated if the First Minister ever screws up the courage to call an election. Some of them are aware of that fact. They go into their own constituencies, they know that's happening. They were able to look at the federal results last spring. They were able to look at the federal results earlier this year and they know, some of them. Mr. Speaker, there are a few of them laughing and I'm assuming that those are the ones that are not in that position. There's a few of them that are not laughing, Mr. Speaker, and they're the ones that are in that position that are pretty worried, Mr. Speaker. So in order to try and settle some of that discontent within his own ranks, with his own Ministers, with his own

backbenchers, the First Minister has decided to do it through this route that's going to give them a few more dollars at least in their pocket and a few more dollars for their retirement fund when the next provincial election comes along.

There are a couple of specifics within this bill, Mr. Speaker. I am still displeased with the action of the former First Minister who was our leader, when under pressure from the opposition in the dying days of the session, he did away with the northern allowance, an extra northern amount for northern travel expenses and northern costs. I'm still unhappy that took place, and within this bill there was an opportunity to correct that situation. It's mentioned within the report that the First Minister had commissioned that that matter should be looked at again. Mr. Speaker, it's not a problem in terms of being in Cabinet, because those people that are in Cabinet now and were in Cabinet before know that there is lots of reasons to travel in terms of your department, in terms of your government business.

So when the Member for Thompson — he can go up to Thompson as the Minister of Labour — he has very legitimate things that he can do in his constituency and travel as a Minister of the Crown doing government business. But, Mr. Speaker, for a backbencher, a northern representative, there needs to be an additional change in the composition pay. Mr. Speaker, I'm not advocating this in terms of what I see as my own self and my own future, because I expect to be back in Cabinet after the next election. So if the Minister for Inkster's ideas carry, that this bill comes into effect after the next election, then I don't think that will be a problem. But regardless of my own position, there needs to be for northern members, especially northern members who are not in Cabinet, an extra amount for travel. This has not been done and has not been included within this bill.

Mr. Speaker, if there is going to be an increase for Cabinet Ministers, if there is going to be a legitimate increase for Cabinet Ministers then, Mr. Speaker, I don't think that Cabinet Ministers should necessarily get those extra benefits. I don't think that Cabinet Ministers need that extra 40 a day. I think backbenchers who are not in Cabinet need it. I don't think that Cabinet Ministers need that extra amount for northern expenses or northern travel, but the member of the Legislature who is not in Cabinet does need that kind of extra assistance.

So those are a couple of details in the bill, Mr. Speaker, that I would like to see looked at, but my main concern, my main criticism, my criticism of this government is that they have completely flip-flopped on this issue. They have used the members of the Legislature as whipping persons in order to make it look like their restraint program was applying to everybody. They had a session that was worth 600-and-something dollars. There were lots of speeches about restraint, etc., etc., on the part of the First Minister, Mr. Speaker, and I won't use the kind of terms to describe the action that the First Minister has been engaged in since he had that position in regard to this issue, what some could call as phoney or hypocritical or dishonest, I don't think I could disagree if someone was to describe the First Minister's action in that way. So what we have is a complete flip-flop from the political opportunism now to a reasonable and rational approach in order to

satisfy the backbenchers and some of the Cabinet Ministers on that side of the House.

MR. SPEAKER: The Honourable Minister of Fitness and Amateur Sport.

HON. ROBERT (Bob) BANMAN (La Verendrye):

Thank you, Mr. Speaker. I have a few brief comments to make with regard to this particular piece of legislation introduced by the First Minister. The Member for Inkster has made a small contribution to it and expressed his thoughts with regard to this. I would also like to do the same.

Mr. Speaker, first of all, let me say at the outset, that when I came into the legislative session back in 1973, to be quite honest with you, I didn't know till about three months after I was elected what the salary would be. At that time, Mr. Speaker, the House had prorogued and I found out I was in the position of having the previous member receive the sessional indemnity for that particular period of time. We came in in June, as most members here will recall, and that meant that we were representing the constituency for almost eight months before we ever even saw a dollar come into our pockets.

Mr. Speaker, I feel strongly however, that by being in this particular position, by representing people in this Chamber, that a person should not be penalized by being here. I refer specifically to most of the members that are here. This has, over the years now, evolved into a full-time job. Anybody that feels that a member who is not one of the Treasury Bench, who is looking after the affairs of his or her constituency, and with the length of the session and the different responsibilities that we all carry, it has evolved into a full-time job. Unlike maybe 20, 25 years ago where the session was on for two, three, two-and-a-half months a year, we're into all kinds of other things and looking after constituency problems with regard to Autopac and all kinds of other things that weren't there before.

I would also like to say, Mr. Speaker, one of the things that I have not been happy with and have been wrestling with, is the indexing problem. I think that we, as members of the Legislature, have somewhat of a conflict with regard to indexing our own pay. If we're looking at trying to work with inflation and trying to make sure that the inflationary trends don't run away with us, one of the problems with indexing, Mr. Speaker, is that the higher the rate of inflation, the more money we automatically get every year. I am one that is not opposed, Mr. Speaker, to going through this form every three or four years to adjust members' salaries. I think it's good, I think it's healthy for the people out there to realize what their members are making. I'm not ashamed if somebody wants to know how much I'm making as a member of the Legislature, including what I get as member of the Treasury Bench. I'm not ashamed to tell anybody about that and discuss that particular issue. I think that the indexing is sort of a sly, little way of getting out of really being confronted with the issue before us. I welcome the opportunity, Mr. Speaker, to speak on this particular resolution and lend support to it and not shy away from it with regard to the indexing problem.

I would only point out — the Member for Inkster made several observations — and I know within our

own caucus, the difference between rural and urban members is fairly substantial. First of all, the size of the riding is quite different, but I think the biggest problem — I speak now as a younger member of the Legislature — is the problem that the rural members have, particularly the ones from the northern areas or the further outlying areas, is with regard to their family and the sacrifice they make with regard to that. Many of us don't appreciate that the urban members here can leave the Chamber at 5:30, go home and talk to their family for an hour or an hour-and-a-half and be back in the Chamber at 8:00. This is not afforded to members of the government or members of the opposition who live outside of Winnipeg, still want to maintain their rural connection to stay in touch with their constituency, and are forced because of that to have their families in one location and they be in another.

Mr. Speaker, the other thing I want to point out with regard to the indexing — if we would have in 1974, when we passed this particular piece of legislation increasing the members' indemnities as well as indexing it — if we at that time would have done the same thing, not increased the Executive Council salaries, but just put it on the indexing level, Mr. Speaker, that 15,600 would have grown to something over 25,000. In other words, Mr. Speaker, the indexing would have brought a member of the Treasury Bench an additional 10,000 over what he or she has today.

The other thing that should be pointed out — the Member for Inkster said a couple of days ago, that he wasn't really concerned about it — that it had been enough money for him when he had been there. I would just only point out to you, Mr. Speaker, when he was appointed to the Treasury Bench in 1969 he, at that time, received 15,600.00. The Ministers of the Treasury Bench today receive exactly that same amount. I don't have to tell anybody what has happened to the buying power with regard to that particular amount of money over the last years. So until he ceased being a member of the Treasury Bench, three years have elapsed, and we're still at the same rate that we were then.

So, Mr. Speaker, I'm not in favour of seeing the indexing on Minister's salaries — I mentioned that before — and I do not mind going through this process where people have the opportunity to write their MLAs or discuss the matter and bring it to a fore so that it is in the public forum. I think it's good and healthy, and I think that any member that cannot justify his or her existence here with regard to this shouldn't be there.

MR. SPEAKER: The Honourable Member for Logan.

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

MOTION presented and carried.

**BILL NO. 98 — THE
STATUTE LAW AMENDMENT
(TAXATION) ACT (1980)**

MR. SPEAKER: Bill No. 98 — the Honourable Member for Kildonan. The Statute Law Amendment (Taxation) Act.

MR. FOX: Mr. Speaker, I adjourned this bill on behalf of the Honourable Member for Lac du Bonnet.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. USKIW: Mr. Speaker, The Statute Law Amendment Act (Taxation), of course, is recognized as a bill that does nothing other than introduce in legal form or bill form the message that was introduced to the House during the course of the Minister's budgetary proposals. Now the main point in the — and I'm sorry to say, Mr. Speaker, that the Minister is not here — maybe if members opposite would want to bring the Minister in so that perhaps he would want to respond to one or two points that I wish to raise.

Within the bill there is a provision for the waiving of taxation on energy saving devices. Mr. Speaker, I had raised this before on one or two occasions and the Minister took it under advisement — that is, there appears to be a contradiction in the department's policy with respect to taxation on energy saving devices, and the item in particular has to do with storm windows versus double-slider windows. I simply make the point and reinforce the argument that slider windows are a modern standard of construction which is more efficient and a better method of installation of windows in homes or in office buildings — it doesn't really matter — than the old system of having to put a storm window for the winter period. A slider simply means that you have a combination unit, the window and the storm unit all in one package. For some reason or other, the department is exempting storm windows, which is the old fashioned system, but is taxing double sliders, which is the most modern system of window installation that we have at the present time. So I draw that to the Minister's attention in the hope that he will want to respond to that point and perhaps indicate to the House that there will be some changes in regulation. I believe it's covered by regulation rather than statute — I may be wrong — so that anomaly is removed from the taxation system.

The other area that I would like to touch on, Mr. Speaker, has to do with the question of enforcement under the exempt fuels, that is, coloured fuel, which is primarily used by farmers, fishermen, trappers, I believe. My understanding of it is that from time to time the enforcement people in the Department of Finance go to unusual lengths, if you like, to police the system, and which I think some people have expressed as being somewhat untoward and somewhat authoritarian in style. I don't argue that enforcement isn't necessary, Mr. Speaker, but there is a question that arises and that is whether or not it's proper — I know it's legal — whether it's advisable to sort of raid a community door-to-door, entering into peoples yards and sampling fuel from a number of vehicles parked in the yard as opposed to inspection on public highways and in public areas. I think it's a nuance but I think it's an important one and perhaps the Minister would want to look at that

and, policy-wise at least, refrain from sort of the attack approach on enforcement with respect to the use of coloured fuel.

I know there is no argument can be made and in no way can one justify the fact of coloured fuel being found in vehicles, no matter where they are, if they are not licenced in that way. But from my point of view, Mr. Speaker, I think it isn't a good policy to sort of go from yard to yard sampling peoples tanks, as has happened on occasion, and if there's enforcement it should be enforced in the area of public highways and public property if those vehicles are being used in that way.

The main argument that I would have on the whole bill, Mr. Speaker, of course is the one that we have argued for the next number of weeks and that is that the Minister of Finance is using the inflating energy situation as a means of further inflating energy costs by piggybacking on new energy price increases a measure of taxation, and that is something that I'm not sure that is in the best interests of the people of Manitoba, Mr. Speaker, and I simply take a moment to make that point again, that it has been recognized everywhere in all of the documents that you would want to read worldwide that the vast energy price increases of the last couple of years have been the main contributing factor to inflation, the main contributing factor to inflation, and now we have governments piggybacking taxation on top of those increases and, at the same time, trying to suggest to their people that we must do something about inflation and the way to deal with inflation is to cut back on public expenditures for, in many instances, very necessary things, and to roll back the standard of living because of inflationary pressures and indeed to accept a higher level of unemployment in an effort to hold down inflationary pressure.

This has been the scenerio of positions that have been advanced by the federal governments, by provincial governments, and it is a contradiction, Mr. Speaker. If energy costs, the escalating energy costs are in fact the major inflation pressure on the economies in the western world, then it has to be a fact, Mr. Speaker, that any tax loads that are imposed on top of those rising prices have to simply compound the inflation impact. On that point, Mr. Speaker, I'm not convinced by the Minister's arguments that the conservation interests with respect to energy consumption are sufficiently motivating to overlook the inflation aspect of imposing new taxes based on the price of fuel.

I know that it's a winner from a revenue point of view. There is no doubt in my mind that energy costs are going to keep going up, as long as we have a market system at work with respect to energy rather than a utility system or administrative system of energy pricing. As long as the market system is going to be the bench mark or the rule of thumb, then there is no doubt that the governments who impose percentage taxes, piggyback on top of those new energy price increases, there's no doubt that those governments are going to reap in hundreds of millions of dollars over a period of time of money, without having to bring in new tax measures, without having new debates. The debates will centre around the fact that the oil industry has upped the energy prices and that it will somehow sort of fade away

into the woodwork the fact that the province is going to benefit in a big way from each oil price increase.

Mr. Speaker, I just want to make those few comments and point out to the Minister of Finance that no matter how he wants to hide that fact, it's going to become more clear and we will have future debates on that point, Mr. Speaker. Each time we have a price increase, I want to indicate to this Minister that he will not escape the debate that will take place, that part of that increase is going to be the taxes imposed by this government, by this Minister, and that it is going to cost people more and more money to heat their homes or drive their cars, or whatever it is their doing with energy other than where it is exempt. I guess I shouldn't say heat their homes; there's no tax on that, no, there is, there is a tax. The Minister shakes his head. Well, I guess I'm wrong on that one, Mr. Speaker. But in any event, by and large, every time there is an increase of a dollar a barrel, we can expect this government to gain substantial amounts of revenue and, given the fact that the stated objectives of national governments, both the Liberal Party and the Conservative Party, is that they want to bring Canadian oil prices up and near to world oil prices — the percentage figure of 85 percent has been used on a number of occasions — that given that major differential between oil prices that we have today and world prices, that we can only see vast increases taking place over the next few years, with huge sums of money flowing into the treasuries of those provinces that have imposed a tax and oil price increase, such as has the province of Manitoba.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. WESTBURY: Thank you, Mr. Speaker. I just want to speak briefly on this Bill 98. Most of my remarks will be addressed to The Retail Sales Tax Act, Part 6, but before I get to that, I just want to say that I and my party do support Part 1, the amendments to The Corporation Capital Tax Act. Members may recall that I have an Order for Return in relative to that Act and I'm waiting with interest to receive the reply to the Order for Return, Mr. Speaker. Then I perhaps will have more to say on this particular Act.

Now on the amendments to The Retail Sales Tax Act, Mr. Speaker, I do feel that there are changes that could have been introduced that have been omitted. I'm at a loss to understand why the government did not accept the suggestion of their friends at the Winnipeg Chamber of Commerce, for instance, and this was sent on to the Manitoba Chamber of Commerce, which approved it, that goods and services under the value of 25 cents should be exempt from sales tax because, as the Chambers of Commerce suggested in light of inflation, this 25 cents is no longer a realistic exemption base figure. I would have approved an increase of the exemption to 1, as they requested.

Mr. Speaker, I am also regretful that the request of the city of Winnipeg to be exempted from a figure which they estimated at 3.5 million for provincial sales tax did not receive the favourable consideration of the Cabinet. I feel that this would have been a forward step in assisting the city in its

difficult situation where their costs are increasing at a rate higher than the income that they are receiving.

However, my prime consideration is in disappointment that there was no change in the tax as it applied to food in restaurants and I do think that perhaps for the next session the Minister of Finance may want to have another look at this. There seems to be no justification for leaving the percentage at 4 percent sales tax on food in restaurants in the province of Manitoba. Doing a little research on this after it was brought to my attention from some of my friends, I found that in British Columbia, there is no sales tax on food in restaurants; there is a 5 percent sales tax on liquor in restaurants. Alberta, of course, there's no sales tax on anything, and would that we could reach that situation. In Ontario, they have a sales tax which is higher than ours, 7 percent on all meals over 6, a 10 percent sales tax on food, 10 percent sales tax on liquor in restaurants, and in Saskatchewan, no sales tax on meals in restaurants but a 10 percent sales tax on liquor in restaurants. Last time I referred to figures, the Member for River Heights asked me for my sources. The sources here are available if he wants them.

Mr. Speaker, it does seem as though we should be able to realistically increase the exemption on sales tax on eat-in meals in restaurants and I believe this was a matter of a recommendation made to the Premier and to the Minister of Finance from the Manitoba Restaurant and Food Services Association. It's almost impossible to purchase a meal in a restaurant at the present time for an amount of 4.00. I would hate to think what you might be eating. I think an increase to 6 would be an acceptable amount. I'm not suggesting a change in the percentage of the sales tax — I think I might have said that at the beginning — but what I really would like to see would be an exemption up to 6 for meals in restaurants. This should be regardless of whether it's a licensed or an unlicensed restaurant.

With those few remarks, Mr. Speaker, I'm quite happy for this to go forward.

MR. SPEAKER: The Honourable Minister will be closing debate.

The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, there were a few questions with regard to the bill. Of course the main principles of the bill were fairly well debated at the time of the Budget Speech and, as a result, this bill represents the mechanics, really, of doing what was indicated in the Budget Speech.

The Member for Lac du Bonnet raised two or three specific issues, one was the question on the storm windows exemption, that storm windows are tax free but if you buy a double glazed unit complete, it isn't tax free. This is the contradiction of course that exists because the removal of the sales tax in all these cases in conservation areas is for the purposes of providing an incentive for conservation and the incentive for new units is to encourage people to go to triple glazing, or quadruple if they like, or whatever, but from that point of view the sales tax was removed, not this year but in a previous year, on the triple glazing and this year it was removed on storm doors and storm windows that were added to

an installation, to provide the incentive to get them to add. So it leaves the anomaly that you could go out and buy a double-glazed unit and pay the sales tax, but if you had a single window and bought a storm, you'd end up with a double sales tax free, by virtue of having it off on the storm window portion. But that's one of those problems that arise and it's not — either way you do it, it tends to be, in some cases, self-defeating and it appears an anomaly and it is.

On the purple-coloured gas issue, we do, of course, get from time to time complaints from people who have been stopped and tested and object to being tested. Again, it's not an easy role for enforcement, whether its done by the RCMP or whether its done by the inspectors, whatever the case may be. Of course, police and your regular inspection staff are empowered to do the testing and the Member for Lac du Bonnet raises the question as to whether or not they should be allowed, I think, to test on private property. It's a point well taken; it's always a touchy one. I think the problem here is that the infractions may well become worse over the years, as the price differential between coloured gas and non-coloured gas increases, which it undoubtedly will. There will be, of course, more of a temptation for somebody to take a gamble on using coloured gas and we can expect the enforcement problem to not decrease. It's one that we'll have to watch. There are concerns from both sides. Naturally, the Finance Department gets complaints from the citizens who are inspected. We also get relayed back the difficulties from the point of view of inspection side, and there are those that arise too. So it's one that has to be watched over a period time and see whether anything can be done in a positive way to try and iron out the difficulties of this type of enforcement. Because I don't suppose we're going to get away from the use of coloured gas. It's a practice that is thoroughly entrenched and engrained in our operation of the pricing system and it's one that I don't think anyone would wish to speculate on, from the point of view of doing away with it.

The other comments with regard to the ad valorem tax that is going on to gasolines of course are the same issues that were raised during the Budget Speech Debate. We've tried to work out, as the bill indicates, the regulations in such a manner that they are as easy to apply, from the point of view of being uniform. They will be based, as I indicated in the opening remarks, on regular gasoline at 20 self-serve stations and then applied across the province and will apply the same whether it's regular gas, non-leaded, premium or whatever it is; the provincial sales tax, as a finite amount cents per litre will be the same on all of those.

The Member for Fort Rouge raises the question of the retail sales tax exemption on the 25 cents to one dollar. There is not anything further I can say. From time to time this will have to be raised and whether or not it will be that amount will have to remain to be seen.

We raised the restaurant food exemption last year, took it up to the 4 limit that the member has mentioned. It was not raised this year. We've heard the representation, of course, from the group that she has cited here, and their case is well taken, but

the problem is that we hear so many representations from so many interest groups with regard to exemptions that it is a question of trying to accommodate those that appear to have a strong case and, in the case of the restaurants, we did it last year. Again, I suppose, it is not unrealistic to think that from time to time, these limits will have to be changed.

With regard to taxation paid by the city of Winnipeg and others, again it's a judgmental decision. We have made changes on The Sales Tax Act on any number of cases. The exemptions this year that we did make reduced the revenue picture by about 3 million and we've straightened out the question of removing the sales tax on farm buildings this year. We've removed it in a number of other areas. We've tried to, consistently over the last three years, withdraw the sales tax and provide incentives in the conservation direction. We've removed a number of nuisance taxes. For instance, shifting the children's clothing over from a size basis to an age basis, which incidentally has worked out well. There were a lot of concerns expressed in this House at the time we did it from the enforcement point of view and indications are that that has worked out well and satisfactorily, as far as the general public is concerned. There are still lots of problems with corporation capital tax. We've changed that again this year. We've upped it from the 500,000 to 750,000 exemption, which has assisted an additional, roughly, 400 small corporations. This change has been made.

We still have problems with the production equipment sales tax. It's one that it is a real problem. The problem is basically that it brings in, as it stands now, too substantial amount of money to be absorbed into the provincial economy at one time, with its withdrawal. Although there would be a desire on the government's part to get rid of that, because it is an insidious tax that feeds itself right through the system, into the price of groceries and everything else but in a hidden fashion. We would like to get rid of that. It's just that in total that tax brings in some 30 million a year and we're going to have to keep trying to keep looking and find ways of reducing its impact in the economy. We agree that there is some disincentive with the presence of that tax. But it is a difficult one.

Mr. Speaker, with those comments then I will appreciate the comments made by the members of the House. I don't think there is further to add at this point.

QUESTION put, MOTION carried.

MR. SPEAKER: The hour being 12:30, the House is adjourned and stands adjourned until 2 o'clock this afternoon.