

LEGISLATIVE ASSEMBLY OF MANITOBA
Friday, 11 July, 1980

Time — 2:00 p.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 . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: First of all on a point of order, Mr. Speaker, it's very difficult for the opposition to submit questions at this particular point, because there are four, perhaps five, Ministers of the Crown present, that's about a third here, and it's rather awkward for questions to be asked, of course, if the Ministers concerned are not here. — (Interjection)— I'm not being critical. I'm just making a point because this does thwart the efforts of the opposition.

At any rate, Mr. Speaker, to carry out the question period, I would like to ask the Honourable Minister of Economic Development if he can now provide us with an answer to a question I asked yesterday, which he took as notice, and that is the proposed bid by the Exxon Corporation to take over Federal Pioneer Electric, which is a matter that has to be taken up by FIRA, the Federal Investment Review Agency, which does involve the government of Manitoba, at least in regard to advice to the federal government. I wonder if the Minister can report on this subject.

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I have requested the information from our department, or the application to be sent through, but I haven't had it come to my desk as yet. I will certainly give the member the information he wants as soon as I have it. I guess the member is asking whether we are in favour or whether we aren't. I haven't had a chance to look at it as yet, and I've been here long enough to remember times when the member wasn't in his chair when he was a Minister also.

MR. EVANS: Mr. Speaker, I will look forward to the information from the Minister, presumably next week.

I wonder if the Minister could advise whether his department, or whether he has been in touch with Co-op Implements Limited, with respect to some reports of layoffs in that particular company. The Minister this morning described that Versatile is an international company. I'm not sure whether that applies also to the CCIL market. Could the Minister advise whether the difficulties that CCIL is having

with regard to dropping sales, is also of a similar nature to Versatile, or is there some difference?

MR. JOHNSTON: The manager of CCIL was also in Mexico with me, Mr. Chairman, and he was looking for new markets at that time. It is very similar. The CCIL sell all through western Canada. They do some selling in the United States, not as much as Versatile. The affect on CCIL, as far as sales are concerned, is the same as any other farm implement dealer in this province or country. CCIL could not sustain itself on just Manitoba business either, so they are continually looking for new markets, and I must say that CCIL has done a tremendous job over the last year and a half from the very precarious position they were in a short while ago.

MR. EVANS: Thank you, Mr. Speaker. I'd like to ask the the Honourable Minister if he or his officials are apprised of the situation with regard to other companies in the farm implement industry. We talked of Versatile and CCIL. I believe that those are about the two largest. What about other industries, other companies that may be more of a medium-sized nature? Has the Minister any advanced information on how the balance of the industry is faring? Can we expect further unemployment reports or is he confident that this is the limit to which we'll see unemployment within the farm implement manufacturing industry?

MR. JOHNSTON: We are in continual contact with the industry. We have what we call a light machinery sector which is made up of men from that industry. They advise us how it stands at all times and, Mr. Speaker, the member is not really looking above the sheets. Because if he doesn't realize that the agricultural industry generally is suffering throughout Canada, I don't know what more we can do to tell him; it is, and we're doing everything possible to assist them, as far as exports are concerned. We will work with them; we will try to find markets for them, and do everything possible we can.

MR. SPEAKER: The Honourable Member for The Pas.

MR. RONALD McBRYDE: Mr. Speaker, a question to the Acting House Leader. I wonder if the House Leader is expecting that the Minister of Consumer Affairs responsible for the legislation in regard to rent control will be in for this question period.

MR. SPEAKER: The Honourable Minister without Portfolio.

HON EDWARD MCGILL (Brandon West): Mr. Speaker, in reply to the Member for The Pas, I think it's the intention of the Minister responsible for rent controls, the Minister of Consumer Affairs, to be present during the question period.

MR. McBRYDE: Mr. Speaker, a question to the Minister of Agriculture, I think. Sometimes the Minister for Agriculture answers questions about the

Saskeram area and sometimes the Minister of Resources does. I wonder if one of those two Ministers could bring us up to date in terms of the Saskeram area and the harvesting of hay in that area; whether they can indicate for us what sort of a mechanism has been put in to cross the river, what sort of transportation mechanism. Have they put in a bridge or are they using a barge, or what system is in place?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. JAMES E. DOWNEY (Arthur): Mr. Speaker, there will be a barge that is being brought in from Saskatchewan. It should be in place by next week to transport equipment back and forth across the river.

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

MR. McBRYDE: Mr. Speaker, I wonder if the Minister could indicate, and this relates to previous questions asked, whether he could indicate yet if a firm decision has been made in terms of allocation of that hay resource.

MR. DOWNEY: Mr. Speaker, he asked the question whether a firm decision has been made in the allocation. Yes, it has, Mr. Speaker. The municipalities that are closest to that area, as well as the local cattleman's association and local government district, are all going to be involved in the allocation of the hay in the Saskeram area.

MR. SPEAKER: The Honourable Member for The Pas with a fourth question.

MR. McBRYDE: Mr. Speaker, I understand from the Minister that a number of people will be involved. I'm not sure then how that decision is arrived at, because I know there are a number of farmers in the immediate area that are hoping to have access to that hay. Will there be a chairperson of a committee of municipalities, will it be by consensus, or will it be by majority vote? How will that allocation, in fact, work out?

MR. DOWNEY: Mr. Speaker, there is a coordinator that will be in place next week, a coordinator that is hired by the government to work with the municipalities. There will be blocks of hay land marked off by cutting around the certain areas and the hay that is available will be drawn for, Mr. Speaker, in that particular area.

MR. SPEAKER: The Honourable Member for The Pas with a fifth question.

MR. McBRYDE: Mr. Speaker, my fifth question is to the Minister of Resources. I wonder if the Minister of Resources could give me an indication of the existing situation in terms of the water levels there and whether or not he has had further representation from the farmers' association in terms of that some areas are not being drained as they thought they would be. I wonder if the Minister could give us advice on that situation?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. BRIAN RANSOM (Souris-Killarney): My understanding, Mr. Speaker, is that the water level has now receded to the level that we had been attempting to achieve. I have not had any direct representation as to further requirements for draining of other areas. There had been some suggestion at one of the meetings of the rural municipalities, where there was some suggestion that there might be additional areas made available, but at this point we are not completely certain of what the demand is. I think the assessment is at the moment, that there will be sufficient area available to meet the demand.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. EVANS: I'd like to address a question to the Minister of Health, Mr. Speaker. It's with regard to a matter that was brought up a couple of months ago in this House, the unfortunate death that occurred in the Brandon Mental Health Centre. I wonder if the Honourable Minister can advise whether there has been any change in the staffing pattern in the various wards at the Brandon Mental Health Centre to ensure that such an unfortunate incident may be averted, or at least greater effort made to be able to avert such unfortunate accidents?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, there has been no change in the staffing pattern, or staffing schedules, but there has been an initiative undertaken to ensure that there is better supervision in the dining area, and that the kitchen and dishwashing area is restricted in terms of access by patients. What is necessary, of course, in those circumstances, to provide for any kind of meaningful protection, is virtual, continual supervision in the dining area, because it's almost impossible, obviously, to create barriers between the kitchen and dishwashing area and the eating area, but that supervisory function in the dining area has been tightened up, Mr. Speaker.

MR. EVANS: Mr. Speaker, I thank the Minister for that information and I can agree you can go so far in staffing but, nevertheless, I'd like to ask whether this tightening process that he refers to, has that involved the hiring of more staff or the placing of more staff in these areas that he speaks of? If so, how many people is he talking about?

MR. SHERMAN: To my knowledge, it hasn't involved the hiring of any additional staff, Mr. Speaker. What it has involved is some redeployment and reorganization of time on the part of nurses and other staff members who were taking patients to the dining area and accompanying them there while they were in the dining area. I will essentially have to take the question as notice and explore it further for the honourable member. To my knowledge, it has not involved an increase in staff, but I have not had any request or submission from the Chief Executive Officer at the Brandon Mental Centre for additional

staffing. When we receive requests of that nature from either of our mental health centres, we act on them in a proscribed manner which is understood by the health centres and which shortcuts the usual Treasury Board process, Mr. Speaker.

MR. SPEAKER: The Honourable Member for St. Vital.

MR. D. JAMES WALDING: Mr. Speaker, in view of the absence of a key member of the Treasury Bench, I would move, seconded by the Honourable Member for Ste. Rose, that the House do now recess for 30 minutes.

MOTION presented and defeated.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: Thank you, Mr. Speaker. My question is to the Minister of Health . . . — (Interjections)—

MR. SPEAKER: Order please, order please. Order please.
The Honourable Member for Churchill.

MR. COWAN: I thank you for your kind intercession, Mr. Speaker. My question is to the Minister of Health and I have to thank the Minister for sending over background information in regard to the asbestos contamination problem in Winnipeg drinking water. In light of the revelations that have come out, though, today in regard to other reports, I have to note that there are a number of pages missing from this particular report. I imagine it's because the Minister has just sent over what he believed to be the pertinent excerpts. I'd ask the Minister if he would be prepared to send over the entire report though, as it goes from Page 1 to Page 29 and then jumps around and finally ends up on Page 51, but I only have about 10 pages of the report; would he be prepared to send over the entire report entitled, "A National Survey for Asbestos Fibres in Canadian Drinking Water Supplies".

MR. SHERMAN: Mr. Speaker, I have to tell the honourable member that he has everything I own. I don't have the complete report and, in fact, it's my understanding that my medical public health director does not have the complete report. They were sent excerpts of the report by the Environmental Control Branch of the Department of Environment. That was what was relayed to me, and it was copies of that which I relay to the honourable member, Mr. Speaker, but presumably the complete report is available from National Health and Welfare in Ottawa.

MR. COWAN: Mr. Speaker, the Minister has confirmed my worst fears. I was afraid of exactly that. I'd ask the Minister if his department has been able to make some fairly comprehensive statements in regard to the fact that they do not believe a hazard to exist in regard to this problem on the basis of what is obviously an incomplete copy of the report, or have the members of his department been

able to compile the complete report so that they could make such statements?

MR. SHERMAN: No, Mr. Speaker. As the Honourable Member for Churchill now knows, because I sent him copies of my material, the Environmental Control Branch of our Department of Environment asked some questions of the medical public health directorate of my department, and accompanied those questions with excerpts from that report from the Environmental Health Director of National Health and Welfare. They only included those sections which they felt were relevant to the issue, and that was the question of the degree of standards of safety with respect to asbestos tracings in water supplies. So if the Department of the Environment wanted any more information than that, I presume that they could have obtained it from the Department of National Health and Welfare in Ottawa, as the Honourable Member for Churchill could.

We simply responded with a medical opinion, to some questions that were asked of us. I have to repeat, Mr. Speaker, that the subject area — and this is not to suggest that I'm not interested in it; I'm pursuing further information, as I've told the Honourable Member for Churchill I will do — but the subject area falls under the aegis of the Department of the Environment and I would think that his questions would be better directed there, although I recognize that my colleague the Minister of the Environment is just coming into the Chamber now.

MR. COWAN: Thank you. I'll be very brief, because I know that certain parties have been waiting with eagerness to ask questions of the Minister of Consumer Protection.

I'd ask the Minister of Health if he stands by the statement in the document that he presented to me dated January 2, 1980, from his department to the Environmental Control Branch, which says: "No. 4. I think it is always reasonable to filter surface raw water," and it goes on to say in all fairness to the author of that document, that they could not determine how practical that would be. I'd ask the Minister if he thinks it is reasonable that Winnipeg puts in place filtration systems to pull out what seems to be inordinate high levels of asbestos fibres in our water.

MR. SHERMAN: On a basis of the subject as I know it and the material that has been made available to me thus far, I would agree with that statement, Mr. Speaker. I would stand by the observation of my medical public health director that it is always reasonable to filter surface raw water.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY: Mr. Speaker, my question is to the Minister of Consumer Affairs responsible for the Rent Stabilization Board. Can the Minister advise whether or not he has had opportunity prior to the filing, earlier this week, of an interim report and a final report re rent decontrolled monitoring, to observe original unedited uncensored versions of

both reports prior to their apparently having been edited upon tabling in this Legislature?

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

HON WARNER H. JORGENSEN (Morris): Mr. Speaker, the matter was brought to my attention just before I came in the House. I had gone up to my office to make enquiries to find out what the statement by Mr. Doer was all about. It is not, near as I can make out, and I've ordered an investigation into this matter, as near as I can make out, it is not unlike the preliminary draft of the guidelines for the Seventies that came into our possession a few years ago as compared to the final draft. As near as I can make out, the report that Mr. Doer refers to is a preliminary draft. It had not been approved by the Rent Stabilization Board, which is chaired by Mr. Allen Chisholm.

MR. PAWLEY: Mr. Speaker, the guidelines for the Seventies were a discussion paper. The paper that was distributed in the House was a paper which was geared by evidence in support, in support of the Minister's Bill 83, an entirely different matter. I want to ask the Minister whether he has opportunity then to examine the deletions from the first report to those reports which were tabled in this House and if so, does the Minister support those deletions?

MR. JORGENSEN: Mr. Speaker, as I said, the matter was just brought to my attention as the House reconvened. I have not had an opportunity, as my honourable friend probably understands, of looking into the report, but I have asked for an investigation and a report on the allegations that were issued by Mr. Doer, and as soon as I have that information — but it seems to me, as I have indicated, that one was a preliminary draft, the other was the final report that had been approved by the Board, and the best that I can ascertain, the figures, all of the tables that are contained in the report and I tabled in this House, are the same figures that were tabled in the preliminary draft. There's no change there. I don't know what other changes there have been because I have not had an opportunity to look at them.

MR. SPEAKER: The Honourable Leader of the Opposition with a final supplementary.

MR. PAWLEY: Mr. Speaker, can the Minister then confirm that the workload within the rent review office has more than doubled in the past two weeks because of the extra large number of applications that are now being made for rent increases in view of the lifting of his controls on July 1st?

MR. JORGENSEN: Mr. Speaker, I would be surprised if there was not an increase in that workload. I'm not able to tell just exactly to the extent that workload has increased until I've had a report from my officials, which I have asked for.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I'd like to direct a question to the Minister of Consumer Affairs. Since the Minister, when in opposition, always referred to the draft report as being the real report, does he now suggest that the real report is the one that Mr. Doer is speaking about and that the final report is merely window dressing?

MR. JORGENSEN: One could almost depend on the Honourable Member for Inkster to remind me of my statements of the past. Mr. Speaker, as I said, I have not had an opportunity to look at the report that Mr. Doer refers to, and until I have done so, I am not in a position to answer that particular question.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, in view of the fact that the members of the Conservative Party continually now say that there were two task force reports, and not one task force report relative to Hydro, does the Minister of Consumer Affairs now take the position that there are two reports, both of which are relevant regarding the matter that has been questioned today with regard to rental decontrol?

MR. JORGENSEN: Mr. Speaker, until I have had an opportunity to compare the two reports, I am not in a position to make any statement on them and I would choose not to do so until I have had an opportunity to compare them.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. JUNE WESTBURY: Mr. Speaker, my question is addressed to the Honourable Minister responsible for Manitoba Housing and Renewal Corporation.

Mr. Speaker, I wonder if the Minister would advise the House approximately how many of the residences controlled by or through Manitoba Housing and Renewal Corporation he has visited since he became responsible for this department.

MR. SPEAKER: The Honourable Minister of Economic Development.

MR. JOHNSTON: I don't know the figure, Mr. Speaker. I've visited in Winnipeg, and I've visited in the rural areas, and I have no idea how many I have in the past two and a half years and I have no record of it, Mr. Speaker. I wouldn't be able to answer the question accurately, because it would be very hard to do.

MRS. WESTBURY: Mr. Speaker, with respect, approximately doesn't mean accurately.

Mr. Speaker, I can tell the Minister I have visited approximately nine or ten, I wonder if he can tell us if he has visited approximately two or three or seven or eight, or 14 or 15, it shouldn't be difficult to assess . . .

MR. SPEAKER: Order. Order please. Order please. The Minister has already answered the question.

The Honourable Minister of Economic Development.

MR. JOHNSTON: I congratulate the member for visiting 10. I think I'm much higher than that.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Mr. Speaker, my question is directed to the Minister responsible for the Rent Review Board. In view of the fact that two years ago the Conservative government doctored a technical report by the Rent Stabilization Board in order to propagandize and therefore reinforce their particular position with respect to rent controls, can the Minister indicate why sufficient care wasn't taken this time to ensure that the members of the Legislature and the public of Manitoba would receive an unedited technical document instead of propagandized again?

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

MR. JORGENSEN: Mr. Speaker, the honourable member has a habit of psyching himself up into a fever-pitch every time he asks a question.

The fact is that I tabled the report that I received.

MR. PARASIUK: Yes, Mr. Speaker, I sometimes get myself exercised when I find that we have incompetence repeating itself twice within two years. I would like to ask the Minister if he took the normal precautions of asking his staff whether in fact the technical document which he tabled to us as a technical document, was in fact unedited and a pure technical document instead of Conservative propagandized?

MR. JORGENSEN: Mr. Speaker, I should remind my honourable friend that the document that was forwarded on to me was a document that had been approved by the Chairman of the Rent Review Board, and that is well known to the honourable gentlemen opposite, and by no stretch of the imagination could anyone accuse him of propagandizing for the Conservative government.

MR. PARASIUK: Mr. Speaker, in view of the fact that two years ago the Conservative government tabled a report, supposedly in the name of Rube Simpkin, the then staff consultant operating on behalf of the Rent Review Board and said that that was a technical document of his, will the Minister assure us that the document that he tabled a few days ago and which he claims is in the name of the Chairperson of the Rent Stabilization Board, is in fact one that he has put out or is in fact the technical document that was done by someone else within the staff of the Rent Stabilization Board? Who did the document?

MR. JORGENSEN: The document, as I understand it, Mr. Speaker, was one that was approved by the Chairman of the Rent Stabilization Board, a Mr. Allan Chisvin.

MR. SPEAKER: The Honourable Member for Transcona with a fourth question.

MR. PARASIUK: Thank you, Mr. Speaker. I would like to ask the Minister if he would investigate whether in fact the Chairperson of the Rent Stabilization Board did the analysis in the document, or whether in fact that analysis was done by someone else on the staff of the Rent Stabilization Board and was subsequently doctored by other people, possibly without the knowledge of the present Chairperson of the Rent Stabilization Board, therefore leading to a situation where the Minister either inadvertently or intentionally tabled the document which he has to take responsibility for, which has been doctored.

MR. JORGENSEN: Mr. Speaker, the document that came to my desk was signed by the Chairman of the Rent Stabilization Board. I can't go any further than that. I just accepted it as a document that did come from the board.

MR. SPEAKER: The Honourable Member for Churchill.

MR. COWAN: Thank you, Mr. Speaker. Earlier in the question period the Minister of Consumer Affairs indicated that he has called for an investigation in regard to this very serious matter. I would ask him what form that investigation will take, who will be conducting such an investigation, and when we can expect the reports of that investigation.

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

MR. JORGENSEN: If my honourable friend interprets my statement as meaning that I'm naming a Royal Commission, that is not a fact. I simply asked my departmental officials to look into the matter and give me a report.

MR. COWAN: Mr. Speaker, as we have grown wary of accepting reports that have passed through the Minister's hands because of obvious deletions from time to time, is the Minister prepared to have an impartial body investigate the allegations and have that report come directly to this Assembly so that we can see the unedited version for once?

MR. JORGENSEN: Mr. Speaker, I, out of hand, reject the statement made by my honourable friend that any document that I have tabled has been doctored. That has not been the case as far as I am concerned. The documents that I have tabled are documents that have been brought to my desk, and if my honourable friend is not satisfied with documents that I tabled that I did not have to table, then I will be very wary about tabling any documents in the future.

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

MR. COWAN: Yes, more warnings of censorship and back-door government and the misuse of statistics, but I did not say he doctored the report, Mr. Speaker. I asked the Minister in regard to

reports where items have been deleted, not doctored, but deleted. Is the Minister denying that the report that he tabled does not contain any deletions when compared with the preliminary draft which has come into our hands through other means? Can he categorically deny that there are no deletions in regard to those two reports?

MR. JORGENSEN: Mr. Speaker, I've already indicated to my honourable friend that the document that was referred to by Mr. Doer, was a preliminary draft. The document I tabled was a document that had been approved by the Rent Stabilization Board and their Chairman. —(Interjection)— No, not the Minister. I simply received the document and tabled it as I received it. Any accusation of doctoring or deletions does not fall on my shoulders, because I tabled the document that I received.

MR. SPEAKER: The Honourable Member for Transcona.

MR. PARASIUK: Mr. Speaker, in view of the fact that a number of staff of the Rent Stabilization Board were laid off today despite the fact that the workload has doubled over the last two and three weeks, could the Minister assure us that those technical staff that did the technical report were not amongst those laid off today?

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

MR. JORGENSEN: Mr. Speaker, I cannot give any such assurance because I am not even aware of those that have been laid off. That is an administrative responsibility and I had nothing to do with it.

MR. PARASIUK: I would ask the Minister to investigate this matter and also determine whether, in fact, those people who were responsible for the deletions — and I would say deletions constitute doctoring — were not those that were retained by this government. If that is the case, Mr. Speaker, what does that do to the integrity of the Civil Service of this province?

MR. JORGENSEN: Mr. Speaker, maybe my honourable friend knew how he operated when he was in the service of the government, but I can assure my honourable friend that no such thing as happened. As far as I am concerned, the Rent Stabilization Board approved a document which was forwarded on to me and which I tabled. If he wants to make accusations of that nature, then he'd better back them up.

MR. PARASIUK: Mr. Speaker, I am merely asking the Minister if he will investigate to determine whether, in fact, the Conservative government of Manitoba is not rewarding those people who doctored technical reports while penalizing and firing, effectively firing, those people who have the integrity to put forward honest, technical, documented information for the government of Manitoba and for the people of Manitoba, as well, with respect to an important item like rent control.

MR. JORGENSEN: Mr. Speaker, I reject that accusation out of hand.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, further to the Minister of Consumer Affairs, in view of the fact that the House relied upon incomplete information, information which in fact would mislead, based upon a report which was edited and, we suggest, doctored, is the Minister prepared now to defer a consideration of Bill 83 until such time as we have an opportunity to examine and all members of the House have an opportunity to examine the original document prior to its editing, prior to its deletions, prior to the doctoring, Mr. Speaker?

MR. JORGENSEN: Mr. Speaker, the posturing of the Leader of the Opposition is sickening. The fact is that the decision to remove rent controls was not based on any document. It was based on the assumption that rent controls should be removed two years ago.

MR. PAWLEY: Mr. Speaker, a paragraph deleted from the original document, which was not available to members of this House, was a paragraph which was worded as expected. The tenants in old blocks experienced the largest increases. The rates of increases moderated as the age of the blocks decreased, therefore affecting those in the central part of the city, the poorer tenants in the city of Winnipeg, the elderly, the students, the families. In view of this information that was not tabled in the House, is the Minister prepared to defer consideration of 83 until such opportunity, as we had not, to review?

MR. JORGENSEN: My honourable friend will have an opportunity to investigate those reports and compare them as much as he likes. The fact is that as far as I know the figures and the tables that are contained in both reports are same.

MR. SPEAKER: The Honourable Leader of the Opposition with a final supplementary.

MR. PAWLEY: Mr. Speaker, in view of the information which has now become known to us in this House, which was not known as of four days ago; in view of the fact that by 4:30 this afternoon there will be eight staff members let go at the office of the Rent Stabilization Board; in view of the fact that the workload has more than doubled in the past two weeks, is the Minister prepared to review the decision made within his department, for which he assumes responsibility, to relieve those some eight individuals of their positions until there has been a proper opportunity to review the direction in which the government is proceeding?

MR. JORGENSEN: As I have indicated to my honourable friend, I've asked for an investigation into this whole matter. Upon receiving a report from my departmental officials, I will then make a further decision.

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, some time ago the Member for St. Vital asked for some tabled information relative to Manitoba Hydro and the last Public Utilities Committee meeting. I have that information here and will send it over to him.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE: Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. I wonder, can he advise if the former Premier of this Legislature, the Honourable Edward Schreyer, said about rent control being phased out at the same time as the anti-inflation guidelines?

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

MR. JORGENSON: Yes, Mr. Speaker, that statement was made at the time of the introduction of the Rent Stabilization Bill in 1976.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, in view of the fact that the Minister has announced there will be an investigation, is the Minister then prepared, in that case, to defer a consideration of Bill 83 until he has received the results of the investigation which he has launched?

MR. JORGENSON: No, Mr. Speaker, I see no need to defer the proceeding with a bill that is intended to remove rent controls from this province, a decision that was made a number of years ago. As a matter of fact, as the Member for Roblin has indicated, it was made in 1976. It was then a phased out decontrol program was announced by the Minister without Portfolio in 1978. That program reached its final phase at the end of June, 1980. I'm going to go ahead with that. There is no question about the phasing out of rent decontrols.

What is the proper subject for debate as to whether or not a more adequate system of protection for those people who are going to be affected by the initial phases of a decontrol program can be improved upon. I invite my honourable friends to take into consideration the fact that rents are going to be decontrolled, to address themselves to the question of how we can best protect those tenants that may be affected by a decontrol program, without imposing an alternate rent control program. They have that opportunity to address themselves with that question without any need to delay in any way the passage of this legislation.

MATTER OF URGENCY

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, I beg to move, seconded by the Member for Transcona, that

pursuant to Rule 27 (1), I move to set aside the ordinary business of the House to discuss a matter of urgent public importance, to wit:

WHEREAS recent allegations call into serious doubt the validity of certain reports regarding rental conditions within the province of Manitoba; and

WHEREAS the government has indicated that it has based many of its decisions in respect to the removal of rent controls on these reports; and

WHEREAS there has been substantial evidence that the removal of rent controls as proposed by the government will result in high rent increases and rent gouging;

BE IT THEREFORE RESOLVED that this House instruct the government to table the unedited, technical reports regarding rental conditions within the province of Manitoba, instead of the incomplete and one-sided reports it has tabled so far, in order for this House to make a rational, informed decision regarding rent control.

MR. SPEAKER: Could the honourable member give me the name of the Seconder?

MR. PAWLEY: The Member for Transcona.

MR. SPEAKER: Pursuant to Rule 27 (2), a member making a motion under sub-rule 1, may explain his arguments in favour of his motion in not more than five minutes, and one member from each of the other parties in the House may state the position of his party with respect to the motion, in not more than five minutes.

The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, we have a situation before us whereby the government has determined that rent controls will be lifted as of July 1st. We have a situation by which eight of some 15 employees will be laid off at 4:30 this afternoon, from the Rent Stabilization office, while the workload has increased in the past two weeks, double, as a result of the increasing number of applications that have been submitted to that office. In view of the fact that during that two week period, according to information which has been related to us, rent increases are not averaging, as the Minister suggested they would average some ten days ago, namely 10 percent, but are rather averaging in the neighbourhood of 21 percent, and higher in many instances, an average of 21 percent.

Mr. Speaker, in addition, the fact that we have relied as members of this House upon documents which were tabled in this Legislature some four or five days ago, which documents we now discover have had vital and critical portions deleted from those documents, portions and paragraphs and items that would have assisted the members of this Chamber to have determined their positions pertaining to rent control. But, Mr. Speaker, I allege were deleted because they would have demonstrated a clear picture of the positive factors of retaining a form of rent control in the province of Manitoba, reports, Mr. Speaker, that were edited and censored, censored in order that members of this Chamber would not have a complete and total picture of the pluses in proceeding with a system of rent control, a report which would have disclosed the irrationality of

the position proceeded with by the government in Manitoba.

So, Mr. Speaker, there is urgency. There's urgency, in view of the fact that in the past two weeks there have been rent increases called for in the neighbourhood of 21 percent and over, average. There has been a layoff, which is taking place this very afternoon, which will detrimentally effect, in fact stab the operations of the Rent Stabilization Board fatally insofar as ensuring that there is any moderating influence, insofar as government is concerned, upon rents in this province. That will take place by 4:30 this afternoon.

Mr. Speaker, it is time, I suggest, that we deal with uncensored, unedited reports; reports that reach us complete and full; reports which, Mr. Speaker, would lead one to have an unbiased observation as to the particular position that is being taken by the government. The government suggested that the documents were unbiased evidence to support their position. This is not an annual report. This is technical information which was tabled in this House, in order to assist the members of this House to determine their positions vis-a-vis Bill 83. Since that was the case, Mr. Speaker, the least that we should have anticipated, the least that we should have expected, was an honest, full and complete report so that we could have balanced the total picture, not just a partial picture as obviously members, working either by the intent or not by the intent of the government, wished to lead the members of the House to take a different position.

MR. SPEAKER: Order, order please. The honourable member's time is up.

The Honourable Minister of Consumer and Corporate Affairs.

MR. JORGENSON: Mr. Speaker, one can only conclude that the posturing of my honourable friend opposite is an indication of the weakness of his argument. The louder the noise, the weaker the argument. And that's true of the case now being presented by the Leader of the Opposition.

He was supposed to address himself to the urgency of debate, Sir, and the fact that he failed to do that is an indication that he knows there is no substance to his argument and so he put his whole case before you during this period.

Sir, there is a bill before us right now, Bill 83, when called can give an opportunity to my honourable friends opposite to vent themselves of all of the frustrations that they seem to feel on this particular subject. When that bill is called, they will be able to carry on the very debate that my honourable friend now is asking for, and I'm not even sure, Sir, because you never indicated when you rose to put the question as to whether or not proper notice had been given. I assumed that it has. But that's normally — Mr. Speaker, has indicated that proper notice has been given and I can only assume that you have received that.

But, Sir, this particular subject can be called this afternoon and I can give an undertaking to my honourable friend that it will be called, and he'll have an opportunity to debate it, as long as he likes. So if there is a desire on the part of my honourable friends to debate this particular subject, instead of

just posturing, they will be given that opportunity later on today.

MR. SPEAKER: Order please. I have listened to the argument put forward by the Honourable Leader of the Opposition. I've also listened to the argument put forward by the Honourable Minister of Consumer and Corporate Affairs. I have to say that the argument put forward by the Leader of the Opposition, as to the urgency of debate, did not impress me that much. The argument put forward by the Honourable Minister of Consumer and Corporate Affairs did not impress me that much either.

The question of urgency of debate is one that I have to determine. However, I find that, had the honourable member followed the normal course of the regular channels that are open to all members, the information he is seeking could be achieved by filing an Address for Papers. Therefore, I rule the matter of urgency out of order.

COMMITTEE CHANGES

MR. SPEAKER: The Honourable Member for Gladstone.

MR. FERGUSON: Thank you, Mr. Speaker. Before Orders of the Day, I'd like to move some changes on Law Amendments.

MR. SPEAKER: The Honourable Member for Kildonan on a point of order.

MR. PETER FOX: Yes, I'm sorry I was a little tardy. Respectfully, Sir, we challenge your ruling.

MR. SPEAKER: Order please. Is there remission of the House to revert?

The Honourable Government House Leader.

MR. JORGENSON: It would seem to me that is exactly what would happen, that we would be reverting another order of business. The Orders of the Day had been called and I suggest, Mr. Speaker, that after the Orders of the Day are called, notwithstanding the tardiness on the part of the members of the Opposition, we cannot revert to an item of business that has been passed.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. FERGUSON: Changes to Law Amendments, Mr. Speaker. Mr. Anderson for Mr. McKenzie, Mr. Johnston for Mr. Galbraith, and Mr. McGregor for Mr. Minaker.

MR. SPEAKER: Are those changes agreeable? (Agreed)

The Honourable Government House Leader.

ORDERS OF THE DAY

MR. JORGENSON: Mr. Speaker, pursuant to an agreement that was reached earlier this morning, would you call Bill 86?

MR. SPEAKER: Bill No. 86, standing in the name of the Honourable Minister of Agriculture.

BILL NO. 86
THE MILK PRICES REVIEW ACT

MR. DOWNEY presented Bill No. 86, The Milk Prices Review Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: Mr. Speaker, I want to first of all, thank the members for allowing me to introduce the bill for second reading, to help me in some of the work that I have to do with the federal-provincial meeting the first part of the week.

I have copies of my statement here, Mr. Speaker, which are available to distribute if the clerks would like to distribute the copies.

Mr. Speaker, over the past year, my department has had correspondence and consultation with consumers, processors, producers, and other knowledgeable people connected with the dairy industry to see how we can develop a system to help make this sector of Manitoba agriculture more stable. I'm pleased with the results that have been achieved. The input from each of these groups has been helpful, and the department has for recommendations possible ways of improving or changing The Milk Control Act. It was imperative to us that it's authority would provide an opportunity for all producers to expect a reasonable satisfactory return, but at the same time, assure that consumers would have an adequate supply of top quality milk at reasonable prices.

It is from the consensus of input from Manitoba consumers and producers, along with studies of what is being done in other provinces, that we have developed a plan we believe will help resolve the many problems that have plagued the dairy industry, particularly in the past few years. The details of this plan we propose in Bill 86, otherwise will be known as The Milk Prices Review Act. The existing Milk Control Act in the meantime will be repealed. The Act calls for a new board to be known as The Manitoba Milk Prices Review Commission to administer this Act. The Commission will include representation from consumers and producers, as well as from the public at large. The Commission will set the producer price of milk sold to the processors for food purposes by a cost of production formula based on farm surveys which would monitor and report on farm costs at regular intervals. If the survey results indicate at any time that farm costs are varied by at least 2 percent from the existing cost, the Commission would then increase or decrease the price of milk to the producer accordingly.

The Act also provides that the Commission will continually monitor the price of milk in the marketplace and hear complaints, and if necessary, the Commission has the authority to set the price of milk to the consumer. Any person who is aggrieved by an order of the Commission, will be able to appeal the order to the Manitoba Natural Products Marketing Council. The Commission will have the authority to require persons who process, distribute, or retail milk to supply them with company

information that is necessary to help resolve any pricing problems.

In comparing the old Manitoba milk pricing system to methods used to price milk in other provinces, we have found that most of them do not impose any control over the retail price of milk. Instead, they use a formula to establish producer prices and in so doing, have been able to successfully supply and merchandise milk. Our job is to ensure an adequate supply of top quality milk for the people of Manitoba. It is our intent to make sure it is provided at reasonable prices, but at the same time, make sure producers reserve adequate and fair returns for their efforts. With continued support of all those who are involved in the dairy industry in Manitoba, I feel that the new Milk Prices Review Act, generally, will bring stability to the industry.

Mr. Speaker, I recommend to the House, Bill 86, The Milk Prices Review Act.

MR. SPEAKER: The Honourable Member for St. George.

MR. BILLIE URUSKI: Thank you, Mr. Speaker. I beg to move, seconded by the Member for Lac du Bonnet, that debate be adjourned.

MR. SPEAKER: Order, order please. There is another member standing. Is the other member intending to speak?

MR. GREEN: Mr. Speaker, I just wanted to ask one question. I wanted to know whether the formula that is referred to in the fixing of maximum-minimum prices, is a new formula, or is it a formula that follows the Milk Control Board?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: Mr. Speaker, the formula is to be worked out by the new Commission which will, I am sure, be using information from the present Milk Control Board. The Milk Control Board now does not have a fixed formula but a guideline formula, and I would think it would be along the same basis, but that is up to the Commission to put in place.

MR. GREEN: Mr. Speaker, this is an Act, which again, is introduced with very matter-of-fact presentation by the Minister. It deals with the price of milk. It is a commodity which has been considered so much a staple commodity by the successive governments of the province of Manitoba; for as long a time as I can remember and probably before, it is a commodity which the province of Manitoba has felt that it had to control. And the Honourable Minister says that there is now to be no control over the retail price of milk, that the retail price of milk will find a level on the marketplace. I gather that is the position that he has put in his opening remarks.

Mr. Speaker, that, subject to adjustment, is necessary. But, Mr. Speaker, that position ignores the fact that every retailer will be buying milk which is set by a producer board subject to appeal to the Natural Products Marketing Board, and therefore the retail price will not be a free price on the marketplace at all. You can't talk about a free price

or a competitive price of milk if all of the retailers are going to pay a price which is fixed by the producers who sell the milk.

Mr. Speaker, I see within this bill, a danger, and I wish to point out that danger, that the consumers of milk — and again I repeat, this is a commodity which successive governments have felt is such a problem and of such a necessity, that it's one of the only products, Mr. Speaker, which has had a government regulated price other than products that are sold in utilities, such as the telephone system, the power system, which is regulated either by the Crown corporation itself or by a utility board. Mr. Speaker, there's the dangerous thing. If what the Minister is saying, is he wants to give to the producers of milk the power that lawyers have with regard to the fees that they get, then, Mr. Speaker, I say that this is a more dangerous bill than when I stood up, because it is true, lawyers are in a very preferred position. Lawyers have tremendous power by virtue of their status and the regulation of their profession and, as a result of that, Mr. Speaker, lawyers are very well paid, and I will acknowledge that. I'm not going to defend that. So the member says, why should not milk producers be well paid? I would prefer, Mr. Speaker, if the member undid those causes which cause lawyers to have an undue bargaining position, rather than to give it to other people so that there are more people who can prey upon people who have no power. Is that what the member is saying? Is the member saying that everybody will be rectified if we put power to dictate their fees, such as is possessed by some professions, into the hands of more people so that the broad mass of people will be at the mercy of more and more power groups?

Mr. Speaker, this bill does not free the market for milk and may I say, Mr. Speaker, that if it did, I might look upon it differently. If the bill said that whoever wants to produce milk can produce it; they can sell it to whomever they wish to; they can sell it for whatever price they wish to and that the free enterprise system will ensure a competitive price of milk . . . Well, the Minister is applauding. If he's applauding, let him bring in a bill of that nature, Mr. Speaker. That's not what he's brought in. He has brought in a bill, Mr. Speaker, which says that there will only be a certain number of people producing milk; that they can only produce a certain amount of milk, well, Mr. Speaker, . . .

MR. SPEAKER: Order. Order please. The Honourable Minister of Agriculture.

MR. DOWNEY: Mr. Speaker, I would like the member to point out where it says in the bill that only a certain number of producers can produce milk.

MR. GREEN: Mr. Speaker, does this bill intend to change the quota system with regard to the production of milk? Well, Mr. Speaker, if it doesn't change the quota system with respect to the production of milk, then milk is a regulated commodity. —(Interjection)— Pardon? It can only be produced by certain people and in certain amounts. So if he's asking me whether this bill does it or not, Mr. Speaker, he's being facile. I'm trying to look at the bill and it's effect on the people of the province

of Manitoba and the Minister would like to fool the people by saying this bill doesn't, in fact, regulate the production of milk. But the production of milk is regulated and you are not changing that and therefore, Mr. Speaker, what we do is we have a controlled commodity, controlled by producers, no effective competition, Mr. Speaker, and if it were there might be a change. If you could, for instance, buy milk from South Dakota or Saskatchewan or Ontario, there would at least be, in connection with this commodity group, some form of competition. But that is not effective with respect to milk and therefore, there has been a Milk Control Act, Mr. Speaker, which by the way has seen the price of milk go up, and I'm not going to be able to say that it's gone up too high or too low, I don't know, I will admit that.

But I do know, Mr. Speaker, that within this bill is the opportunity for milk to go up in exorbitant prices with no effective control, as a matter of fact, sanctioned by the government. Because, Mr. Speaker, this bill, if the honourable member said that what the cost of production was, was the cost of buying cows, the cost of buying land on the free market, the cost of buying equipment depreciated, and a person had to get a return on that — if he had to get a return on that — it may, Mr. Speaker, make sense, but built into the milk system is the cost of the quota, which may exceed everything else and which is not a cost of production at all. It is merely a privilege which is put down on paper, Mr. Speaker, which has no cost of production, which is granted by a government board and which a person is going to sell the same way, Mr. Speaker. His land may be worth 100,000; his machinery may be worth 50,000; his cows may be worth another 100,000; and his farm may be worth — I've given you all the fixed assets — but his right to sell milk may be worth a quarter of a million dollars. So his cost of production is increased by 250,000 by virtue of the regulations themselves. That is then built in as a cost of production, Mr. Speaker, as an investment cost and people are supposed to get a return on that.

Mr. Speaker, it is self-perpetuating and self-escalating because, once this formula goes into effect, the quota is worth more and, once the quota is worth more, the cost of production is worth more and the price goes up again. Where does it end? Mr. Speaker, if the Minister will stand up and say that the cost of production — and put those figures in here — that cost of production will not include the right to sell milk, that there will be no cost for that; that the cost of production is the land, the cows and the equipment, then, Mr. Speaker, we know that all that a person can recover is what it is costing him to produce milk. —(Interjection)— Well, of course.

Mr. Speaker, the Minister has corrected me, there are other expenses associated with it and I don't wish to take them on, but the Minister is going to put in the expense of buying the milk quota, and the milk quota is not a cost of production at all. That is what the Minister of Fisheries want to do with fishing licences. He wants to build into the cost of a fisherman the cost of buying the licence from somebody else, which is not anything that fisherman had to do. He is letting that fisherman sell a piece of Lake Winnipeg, which he never owned in the first place, and what the Minister is going to let the

farmer do is build into his cost the cost of selling milk, which he never owned in the first place, which has only been created, not as a cost having anything to do with anybody's investment and labour, so he is pointing at the Minister of Agriculture.

I am not arguing that this did not exist in the past; what I am arguing about is that we are now uncontrolling the price of milk in the same way, Mr. Speaker, as the Minister is decontrolling the price of rents, without any safeguards as to what is going to happen to the public, and do what one of the members over there said, give the milk producers the same economic power as the lawyers had. I would think that the government would be looking around trying to figure out — as was done, by the way, under the previous administration — how people could get things which they have to pay a lot of money to lawyers for, in a less expensive way, rather than saying that they are going to create around group who are able to prey on society in terms of having a protected price.

Mr. Speaker, the Minister has applauded; he said, let it be free. I, Mr. Speaker, am not certain about whether a completely free market in milk is the best way of supplying the province of Manitoba with milk. What I am certain of is that it is better than this method, that a free method at least has some hope of controlling the price of milk. This method will, Mr. Speaker, build into the producers of milk a self-perpetuating increase over the price, which has nothing to do with the cost of production but rather has to do with paying, one person paying another for the privileges of being able to produce milk, which is not a cost of production, Mr. Speaker, it is a cost of purchasing privilege. What we should be doing is thinking of how to eliminate the privilege rather than providing for an additional cost of purchasing privilege.

Mr. Speaker, we in this Legislative Assembly, and this is not conservatism by the way, I am afraid to identify the name, yes, I am afraid and I don't often get afraid but, Mr. Speaker, I would rather not give this a name except to say that it has within it dangers, Mr. Speaker, of creating a group that could have much more economic power over the rest of society in an area which is basic to the needs of all people in society. And there is, Mr. Speaker, a way of correcting it, because if we ensure that when we are talking about cost of production we are not accruing to the milk producer, any value for the quota, any value beyond the raw value for the land, any value for the machinery beyond the cost of replacing that machinery, any value in terms of his expense beyond that expense, if we do not include in that cost, the price of purchasing the quota — and we are certain that that will not happen.— and we have a control over the fixing of that price to deal with that cost, I certainly will look at it differently. I will look to see what the Minister is asking me to support. But the way it is now, Mr. Speaker, it has more dangerous implications than the Rent Decontrol Act.

MR. SPEAKER: The Honourable Member for Emerson.

MR. ALBERT DRIEDGER: Thank you, Mr. Speaker. Firstly I'd like to compliment the Minister of

Agriculture for bringing this Act before us here today. I had not anticipated making comments on it at this stage of the game, but after hearing the comments of the Member for Inkster, I have to only say, the member knows not of what he speaks. He has based his arguments of opposing this bill, based on the fact that the quota system, somewhere along the line, has value. Well, if the member had ever been informed or had made an effort to try and get himself informed on this, he would realize that years ago, prices on quota have already been dissolved. That was under the previous administration. The Minister of Agriculture at that time changed the whole system to where there was no price on quota, that still exists today. And this present bill here today, what we're talking about is establishing a formula based on cost of production, including all costs of production.

What has happened, if we want to review the system of the dairy industry, and I happen to have been in it for 16 years, if it is such a lucrative business to be in, I wish somebody would explain why people are getting out of it every day. Mr. Speaker, I also happen to be in the real estate business and I'm trying to sell dairy farms. In my area there happen to be a lot of dairy farms, and I'm having a heck of a time, even if I can't on paper sort of try and project that a man can have a break-even position, there is no way that we can get finance through any borrowing institution in this country. FCC, MECC, the banks, they say, hey, it is not viable, what do you want to buy a dairy farm for?

But to get back, you know, I would like to get my act together a little bit here and I didn't have enough time, but I felt compelled to rise because the Member for Inkster got up and made a big issue about the price on quota. Mr. Speaker, I think that I was possibly the last guy that ever sold quota, and I sold it for 600 per thousand, and that is about 5 years ago. Since that time the system of selling quota has totally been abolished. In fact, for years there was no way that you could even get a dairy farm sold it it was overpriced, never mind a price on quota. You had to apply to the Manitoba Marketing Council to get approval to get the sale through, and they would not approve unless you went out and got an appraiser that you paid 500 or 600 for, who was nightlighting on a certain job. And if he recommended to the Manitoba Marketing Council that it's okay, then you could sell your dairy operation, but if there was even a hint of any price on quota at that time, you could not transfer it. Mr. Speaker, do you know that at the present time when you transfer milk quota, that the Milk Marketing Board retains a certain percentage of it.

So when we talk of dairy cows costing 1,000 or 1,200 or 1,500 per cow, there is absolutely no price for quota on there. You apply for transfer of quota, a certain percentage if automatically deducted, and you have a small percentage that you can transfer, 60 percent, and you pay the full price for the cows.

Mr. Speaker, if anybody over there that wants to object to this bill would go out and establish facts and find out what these people are faced up with, people that are out there seven days a week — you know, we always talk of the big corporate farmers and dairy, we are talking of family farms, where the man and wife and kids operate a family farm, they

live poor, they work hard seven days a week, cows have to be milked twice a day, seven days a week, there is no holidays.

The thing that I would like to get at is, how do we establish a price for milk. Until now it has been established by the Milk Control Board; this was to be a mechanism that sort of guaranteed fair value for the farm, fair price for the consumers. What has happened in the last years? Why, tell me, Mr. Speaker, why do the dairy producers not even bother coming to the Milk Control Board Hearings? They don't have one producer on the Board, it is all consumers on the Board, ruling as to what . . . arbitrating like a union. We want 5.00 a hour, the employer says 1.00, so they negotiate down to a point. Each time, in all sincerity, the Milk Producers Marketing Board and all the people related in the dairy industry have established cost of production figures to a "T". They ask for whatever they feel is adequate, what they need to sustain themselves; it is a portion of it every time.

Now a manufacturer of goods, almost any other commodity, they can establish cost of production, the percentage that they need for an adequate return, and that is the price, nobody argues. You can put it on booze, you can put it on machinery, whatever you want, but the milk industry has been picked on and, Mr. Speaker, there is only two provinces in Canada that still have the Milk Control Board system. One is in Quebec and one is in Manitoba; the others basically work on a formula, a cost of production formula, which basically makes sense. But what we asking, we say, well, it is a vital commodity to the human race. You know, the poor, the kids, they have to have milk, so what we are asking, we are asking the dairy farmers to produce a product and to subsidize the rest of the people. This is not acceptable, because when you look at the investments that the dairy farmers have to make — a minimal operation, a good operation that can show viability has to have a minimum of 40 cows, and if anybody wants to sit down and figure out exactly what it costs either to feed and operate, and have 40 cows, and replacement value, there is many things involved in this thing. Nobody ever bothers, they just say, well, we got to have it, it is a vital commodity, costs of production, you know, the guys are making big bucks. Why is everybody going out of it if everybody is making money at it? Why did I go out of it? For sixteen years I thought there was nothing else, because I was strapped to the credit arrangement, I borrowed a lot of money, how am I going to get out of it? I finally sat down and figured out that only such a small percentage, I think two percent of the farmers that are in the dairy business — don't take that as gospel — but it is a very small percentage of the farmers that are in the dairy business, and it is getting less and less all the time. If it is such a good business, why isn't everybody getting into it? It has nothing to do with the quota system.

It is not hard to get a quota right now. The Member for Lac du Bonnet says, get a quota. You got the cows, you go and apply, and you will get the quota. That is not the way it was in your jurisdiction at that time, because there was a little play-making going on at that time.

However, aside from this, what I would like to stress here today is this bill does not discriminate against consumers, it does not give any preference to the producers. What it does is fair cost of production formula to be established, and that is what we want to stress. If anybody that has read the bill, it also makes provision for the producer, or the consumer, if they feel it is not just, to make an appeal. Right? Which is the major thing, nobody gets discriminated against, but what we have done, we have taken milk out of context from all the other agricultural commodities all the time and said, well, this is vital, we have to have different rules for it. You go and tell it to the dairy farmers. Why are they packing up in droves right now? In as case like this year when we have a drought situation — you know, some years you will have bales costing you 85 cents a bale. This year, it's costing 1.75, whatever the case may be. Grain prices go up, these type of things, but when it comes to applying for an increase to justify prices and ask for an increase, you know what they have to do? Hat in hand on their knees, they crawl to the Milk Control Board. What happens? Every conscientious person in the city says: Hey, the consumer says: Listen, this is a vital commodity and we have to make sure that the kids, the poor and the old people have adequate milk supply.

They expect the dairy farmer with the big investment to justify it. I'll tell you something, you can't buy a viable 40-cow operation now under 150,000 to 200,000 unit. You just take the interest on that alone. There are many guys that would be prepared to try to make their start in the agricultural commodity and the dairy industry; they can't. There's no way he can prove viability and the guys that are in there, they are fighting to hang on, and here we have something that is going to give some justification to the dairy industry.

We have this question like quota. The Member for Inkster stresses quota, the cost of quota. Please, acquaint yourself with what is going on. Be realistic. Let's be fair to these guys because what's going to happen if we don't give these fellows a fair return, a reasonable return just to be able to sustain themselves, you know what is going to happen? More are going to go out of business. More and more are going to go out of business. And you know what? We're going to be short of milk and will be importing it from Quebec, from Ontario, and then we will finally start paying the price, and then will say, oh my gosh, what have we done; we've put our people out of business.

Mr. Speaker, there are many things. I get a little perturbed, as a past dairyman, when I sense the reaction to some of these things, and what perturbs me most is that nobody has taken the time to find out what it's all about. It's easy to make a statement and say hey, we're going to give the dairy farmers a chance to set their own price. This is not what the bill is saying. It is saying we'll set up a formula, an adequate formula. We'll have a commission that administers it. We'll have an appeal system where people who feel they're unjustly treated can appeal the thing, but we want to punish the dairy farmers seemingly, according to the Member for Inkster. I think he reads most of his bills accurately but I think this one he hasn't even bothered to read. He just sort of got off and he gave it a shot you know. —

(Interjection)— You haven't read the formula because there hasn't been a formula yet — (Interjection)— No, there's provision, no there is no formula in the act.

The bill indicates that there is a commission going to be set who are going to establish a formula based on production, fair return, and an appeal system for those who feel it is not just. Let's envision, if for example under this bill, if Safeways want to use milk as a leader for a change. They've never used milk as anything other than, it has to be, it's a necessary thing and these are the costs established by a Milk Control Board. Supposing Safeways would want to drop the cents on a per litre type of thing for five cents and use it as a leader. There are provisions for it here. And finally we are getting into the field where it makes a little bit of sense.

Mr. Speaker, there are so many things actually that I could, you know it's unfortunate, and I suppose it is fortunate as well that a person can only speak once to a bill because I have so many things that I would like to relate to the House here, in terms of the dairy industry, and we have very few dairy people in here. One of the reasons, and I would like to divert a little bit, when we talk of The Legislative Assembly Act that's before us, we have a discrimination because a dairy farmer could never be an MLA. I sold my dairy farm prior to becoming an MLA, before I even could consider it. I was considering it prior to that in the election of 1974. There was no way; I was a dairy farmer. There is no way. We have many discriminations. We talk to the technicalities and the capable legal minds here like the Member for Inkster and the other lawyers. They can always nitpick on these little things and make a big issue out of it. I am just a sodbuster from down south and I am proud of it, but from time to time it is time that somebody like myself gets up and educates some of the city people here as to what the real world is out there in the rural area. We have had sort of commotions about subsidizing the agricultural community because of drought. Who knows about drought in the city? We just had a shower here this afternoon. There was none back home.

There are many things that you people can't relate to the problems that are out there; the investment capital. For example, you spoke against The Legislative Assembly Act, because you have a profession on the side you can supplement it with. I'll tell you something, you don't see many dairy farmers in this House. There's a reason for that. They're too dang busy making a living out there, or trying to. We say, hey, provide milk for the needy, for the poor, for the kids; we believe it. If you want to pick on anybody at all, then talk of supplementing the city people, don't talk of supplementing the farmers. Just give them the average break that anybody else gets in the industrial or agricultural community. But we don't do that, we isolate milk, and we say, this is different; it's a vital thing, we have to have it.

Mr. Speaker, I hope somebody will make an amendment to this thing so I have another crack at it because I have much ammunition that I want to lay on you guys, somewhere along the line. I would like to see the previous Minister of Agriculture or the critic from St. George get up and say this is no good. You take a look at this bill and you tell the dairy people this is no good.

One more thing I want to say, Mr. Speaker, one thing that I want to add, Mr. Speaker, one thing that members of this House, many of them, don't even realize in the dairy industry. I cannot tell the Member for Inkster what are the pitfalls in his legal profession, why he should join or not join something; I cannot tell the turkey farmer from St. George the pitfalls of his occupation, but I can tell him some of the pitfalls in the dairy industry. For example, we have a national quota system; each province has so and so much. We have a national marketing system; each province has so and so much. Our percentage in Manitoba is so minute, really now, compared to Ontario and Quebec. They basically have the dairy industry in hand. —(Interjection)— From you, from the former Minister of Agriculture, I expect that remark, and the former Minister of Agriculture said they should have the majority of the quota system in hand. —(Interjection)— Would you tell that to the Member for St. George, that the should have the turkey industry in hand, the beef growers, the chicken broilers, all the various commodities; is that the principle you want to apply? Then you get out and you tell the dairy farmers that you believe that they have adequate in this province. We got a small percentage. But you will not do that. The Member for Lac du Bonnet will not go out and say to the dairy farmers, you have adequate in terms of quota system.

It was during your reign, sir, that we had the biggest problems in the dairy industry up to now because you cut off the transfer of quotas without appealing to the Manitoba Marketing Council, and I have gone through that agony as a real estate man, and I've gone through the agony as I sold my dairy. I had to almost beg, I had to almost blackmail and pay extra money to get my place assessed to be able to sell it to my brother and get the transfer of quota. If you want to get into these things, the Member for Lac du Bonnet, I'll go at that with you. There are not many points possibly where I have a certain knowledge of but I'll tell you something, and you've accused me many times of not having knowledge of what goes on in the agricultural community. The Member for Inkster says I don't know anything about politics, that's fine. But when it comes to dairy, I'll take you on; me and the dairy men will take you on. I'm not a dairy man now, but I'll tell you something, I'll get up on any platform and debate and discuss with you, and I'd like to debate and discuss this bill with you and the dairy industry. —(Interjection)— Please, or the Member for St. George, who is also a friend of the marketing system, the marketing board system; you come out with me, I'll call the meeting, and we will debate this bill.

MR. DESJARDINS: What about me?

MR. DRIEDGER: You don't have a clue. The Member for St. Boniface doesn't have a clue what the dairy industry is about. He is a professional in the health industry and I'll accept that, but when it comes to dairy, no, no, no. You'd probably be milking it this way, you know?

I would hope that the city members here on all sides of the House before they get up and they start lambasting this bill, that they take and acquaint

themselves with it; him too, yes. He makes grand speeches on anything and he's very qualified; when it comes to dairy, I want to take him on. He's always invited me, debate with me on a platform any issue you want. I want to take him out in Grunthal and Steinbach and the dairy industry and I want to debate this bill with you. I want to debate the bill with the Member for Inkster, with the Member for Lac du Bonnet and I want to debate with the Member for St. George on this bill, and any city member that wants to get involved. What you don't realize is we're fighting for the dairy industry in our province, and if five years down the line if we are going to have a shortage of milk and you are going to be paying the extra money, you'll say, hey, what happened. Here finally a Minister has got the guts to bring in this bill and say, we have a case here that's fair to the consumer, it's fair to the producer.

I would just like to get back a little bit to the appeal system, to the Manitoba Milk Control Board as we have it right now. On knees, hat in hand type of thing, asking give us what we need, and the various commodity groups or the Human Rights, the liberty groups, the social aspects . . .

MR. USKIW: Read your bill.

MR. DRIEDGER: You read it, because I know what's in there. You come out and we will debate exactly what is in there. I have read my bill. You can appeal, first of all, to the Manitoba Milk Commission. You can also appeal to the Marketing Council on a decision made by the Commission. How much more of an appeal system do you want? —(Interjection)— Oh, no. Read the bill. Hands and knees was during the Member for Lac du Bonnet's time when he was Minister of Agriculture. That's when farmers had to crawl; not any more, not any more.

MR. SPEAKER: Order please, order please. I realize that there are a lot of members that want to debate this bill but we can only have one at a time.

The Honourable Member for Emerson.

MR. DRIEDGER: Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Lac du Bonnet on a point of order.

MR. USKIW: I would like to ask the Honourable Member a question, Mr. Speaker.

MR. DRIEDGER: Thank you, Mr. Speaker, I'll answer questions if there is time.

The Honourable Member for Elmwood says simmer down. I have seen him get up here and get very agitated about various things that he was qualified to speak on, like the garages that he built and stuff of this nature. But I want to speak on the thing that finally, Mr. Speaker, I have some qualification to speak on. And I will take the whole works of you on, if you want.

There comes a time for everybody when he has his day and, Mr. Speaker, like I say, the thing that bothers me most, I hope somebody moves an amendment so I can get my act together because I have not begun, really. The Member for Ste. Rose, he doesn't know which end comes where. We saw a picture that was being circulated and questioned

here in the House yesterday about the milking contest today in the afternoon, with three of our Ministers, and the udder of the cow was in the front. I would expect that's where the Member for Ste. Rose would be milking it.

Mr. Speaker, I would just like a few more comments. When we talk of costs of production, the last time the Milk Producers Marketing Board applied for an increase, they got socked in the nose and I think they got one cent or something of that nature, and subsequently after the Minister felt that there was real problems in there, he asked the Milk Control Board to review their case and they went out and they did a study. Mr. Speaker, they were down to the point —(Interjection)— Don't bother me. What they did, Mr. Speaker, they got down to the point where they considered the asset of manure that had to be moved out of a barn and spread on the land, and figured that was a plus and they put a value figure on it. Well if anybody ever figured on a dairy operation, the cost of getting that stuff out of the barn, well then let's figure the cost of production of which they didn't do. They didn't figure the cost; then let's figure the cost of production. You put the feed into the unit; you have to have a barn cleaner, you have to have a spreader, you have to have a truck —(Interjection)— No, that's a fact, and if anybody wants to look at the cost of production — Dr. Wood did . . . —(Interjection)— Sometimes, Mr. Speaker, I feel like I need rubber boots in this place because of the stuff that is flying around here, and a lot of it is flying from over there. I have listened endless hours, Mr. Speaker, to the Member for Wellington expounding his wisdom on all kinds of things, and this is why I say, Mr. Speaker, today it is my turn, and I hope I have another crack at it somewhere along the line. I sincerely do.

But in all sincerity, before you people get all excited about opposing this particular bill, you better get and get your facts straightened out. I have listened to your facts for a long time, you know, about social services, hospital services, and stuff of that nature; now I implore you, before you get excited about this bill, go and get your facts straight, because if you don't, I will bring 1,353 dairy farmers, I think that is the figure, I will bring them in and have them explain them to you. These guys are pretty noisy sometimes.

Mr. Speaker, as I said in my opening statements, I want to compliment the Minister. It is a courageous step. It is not an easy step to take. What bothers me is that there is a sort of a feeling that it is taking something away from the consumer and giving it to the producer, and that is not the case. What we are finally doing is giving fair hearing to both the consumer and the producer.

Mr. Speaker, the Member for Inkster talks about quota prices and what have you. Hey, you are five years behind. Really you are. —(Interjection)— Oh no, no, I think the Member for St. Boniface sort of puts his finger on it. But why don't you find out what the problems are that the farmers face instead of lambasting them here from your seats or when you make their speeches. Find out what they are up against, their total investment, their capital investment. When we talk of a guy buying a dairy farm, a young fellow, 23, 30, whatever the case may be, wants to buy a dairy farm. The minimum

investment is going to be 200,000. You figure out the interest even at FCC's rates at 13 percent, there is no way, there is no way, when you consider what it costs you in terms of dairy ration, bales, capital investment, the kind of barns you have to have, the health standards that we as government put on them. Hey —(Interjection)— That is Mickey Mouse stuff already, insurance, the wife working and the kids working, they work for free, you know, in most cases. It's a family operation. There is very few operations that would ever operate the way a dairy farm operates. Not even a grain farmer does, not a beef farmer does, nor does the Member for St. George with his turkey operation. Dairy farmers, we are asking them to be something special. Sacrifice for the country, for the poor — that's right, we are. You've got a set pattern there, the Member for St. George. You have a set price. Who do you beg for price? You set your prices, but the dairy industry is the only one that crawls on hands and knees to the Milk Control Board and says, please, we are going broke, give us a raise, we need five cents, whatever the case may be. The Milk Control Board says, you have got one cent and you should be gracious to us. Hey, they don't say those words, that's what it is. They say, hey, we have figured this out and this is what you should get.

Mr. Speaker, it's a courageous bill. I think it's a very necessary bill, because if you people will not support this bill, five years from now you'll have the consequences of it by paying exceptionally high prices. Because the dairy farmers right now, go out and talk to them. They would just as soon pack it in. They go to Farm Credit and say — an example, just a week ago, Mr. Speaker, two weeks ago, a guy in the Carberry area, he borrowed money from FCC, you know, with the cost of feed, the cost of production, everything, he finally wrote a letter and phoned FCC, he says, it's yours, take it. FCC got somebody to milk the cattle, they moved them to Caravan Sales out here at Glenlea, they had a dairy sale, they sold it, FCC's got a property out there they don't know what to do with. I am telling of one example, but there is going to be many more. There is going to many more. These guys are all up to their eyeballs in debt, and the interest rate keeps crawling up, the cost of feed keeps going up — can you imagine if they had to come back to the Milk Control Board right now asking for an increase. You know, they got one just what? Six months ago, because that was the one they applied for eight months ago. In the meantime the cost has changed.

All this bill really does is make provision under the formula basis. If there is a two percent change, and the whole formula, you know, the various costs that get pulled into this thing, it will never flick over until there is a two percent change in the total formula cost, which makes sense. Doesn't it? To me it makes sense. You know, if your costs rise so-and-so much, there should be an automatic adjustment. Instead of crawling to the Milk Control Board and saying, hey, we need one, you know, and the Milk Control Board says, you don't need nothing.

The formula will be established by the Milk Commission that is being set up —(Interjection)— Oh, yes, it does. The Member for St. George wants to argue this. That is fine. I will argue with this — you go and talk to your dairy people, and you have

dairy people in your area, as does the Member for Lac du Bonnet, as do many of the rural members. You go and talk to your people, and if there is an unreasonable formula, the formula can be appealed, the price can be appealed, many things can be appealed to the Commission, Number 1, and the order that they establish they can appeal to the Manitoba Marketing Council. What more do you want? The same applies to the producer and the consumer.

Mr. Speaker, I think I have shot my wad for the time being, but, Mr. Speaker, I will be back. I will wait after we've had discussion from over there. But I just want to make note of all the arguments that are going to be raised; if there are any raised, I would hope there is total support for this bill. If there is not, then we will note the arguments, and we will be prepared to debate them again.

Thank you very much, Mr. Speaker.

MR. DEPUTY SPEAKER: Are you ready for the question? The Honourable Member for Lac du Bonnet.

MR. USKIW: Mr. Speaker, the member agreed to answer a couple of questions at the end of his comments. I simply want to ask him whether or not, in his opinion, whether his government endorsed the Milk Control Board and its operations since they have been the government from 1977 to now, and prior to 1977, since that Board had been established sometime in the 1930s.

MR. DEPUTY SPEAKER: The Honourable Member for Emerson.

MR. DRIEDGER: Mr. Speaker, there has been concern about the Milk Control Board. Initially, I think the concept of the Milk Control Board had a lot of validity. It was, I think, established, I am not sure, it was established under a Conservative Government; it was proceeded with under the previous administration, but there has been a lot of pressure and concern in the last few years that the system was not working right, and it has been changed in other areas because of the change in cost in production, the Milk Producing and Marketing Board, many things. So, Mr. Speaker, initially this government supported it, but they already realized when they were there that it was not an adequate system, and the pressure had been brought to bear — that is why at the last hearing the milk producers didn't even bother to make representation, because it was a consumer-oriented Board totally, they would not listen to the proposals, the requests of the dairy farmers at that time, and, Mr. Speaker, that is why it is time to change it.

MR. USKIW: Mr. Speaker, the Minister of Agriculture is not here, so I don't know what his response would be to the question that I am going to put to the honourable member, and that is, since the member implies that the government is not happy with the operations of the Milk Control Board, I want to ask the member why the Minister of Agriculture hasn't suspended that Board three years ago, two years ago, one year ago, one day ago, but is

bringing in legislation? He has the power of appointment and the power of suspension.

MR. DRIEDGER: Mr. Speaker, in reply to that question, I think the Minister of Agriculture agreed already sometime ago that there was a problem in this area, and he is finally coming up with a bill to change the system. I daresay, Mr. Speaker, the previous Minister of Agriculture would have been faced with the same thing and would have had to do the same thing, and I don't think that he had the guts — I will retract that, Sir — I don't think that he would have the —(Interjection)— No, I don't want to say that, because that's not it. I think he can see the problem, and I think that if he opposes this bill, that I would have to call him, that he's . . .

A MEMBER: Careful.

MR. DRIEDGER: Careful. Mr. Speaker, I will wait and see what he says to this bill.

MR. DEPUTY SPEAKER: The Honourable Member for Winnipeg Centre.

MR. DOERN: You can think it, Albert, just think it, don't say it.

MR. J. R. (Bud) BOYCE: Mr. Speaker, I am not going to take the Member for Emerson on. That was really an excellent speech, and I wish he would have been with me when I made an intervention at the Milk Control Board, I think it was two or three years ago. One part of his speech he said primarily what I had said, but he put it much better than I, that the price of milk should not be determined by those people in need, or that we should come up with some other program to solve that problem. With most of what he said, I agree, as a member of an urban constituency, that we have to have a supply of milk and the farmers have to make money. The difficulty of attracting farmers to the dairy industry in this day and age, I imagine is most difficult, but perhaps there is other programs or ways of solving that problem.

The Member for Inkster's point was just that. If there is to be a formula, which is going to exclude, put it in the bill. Because the point about quotas — and the Member for Emerson said himself, he was one of the last farmers to sell quotas — the principle of quotas is a bad basis for any industry, whether it is a cab company — the licence to drive a cab, I believe when they changed the Act, that they made some kind of a shift in it to give them some compensation and everything, but the cab licence itself was worth about 5,000. It was worth more than the cars. That was the principle that the Member for Inkster argued against, it wasn't against the necessity of having a viable dairy industry.

I just wanted to contribute briefly to this debate, because I have some understanding of the dairy industry, and I had said earlier in another debate that I had the good sense to stay out of it when I graduated from university with a degree in Dairy Science. The people who are on the front line, the firing line, are the ones that can give us better advice than some academics can.

Nevertheless, if it is the intention of the government to move in the direction of re-establishing values for quota, as could be interpreted by some of the remarks of the Member for Emerson, then I would suggest the government should put that in the bill. They should tell people that this is the case. I think farmers would be ill-advised to support that, because the history of selling permits, the selling of permits in any restricted activity, whether it be a permit to sell beer in a hotel, a fisherman's permit, or any other kind of permit, it just, as the Member for Inkster had said, self-perpetuating and self-escalating, because everyone who wants to transfer that quota adds to the price, so it eventually goes up.

I don't mean by entering the debate that there isn't problems in the dairy industry, and I think that we have to solve those. We have to make it viable. If a person can make, I don't know what interest on even bonds is today, but if a person could realize on the type of investment that the Member for Emerson suggests that even for a small 40-cow herd, which I don't even know in these terms if a 40-cow herd is viable or not — it sounds kind of small in present-day context, but if he says 150,000 to 200,000, that means, and some urban members don't really understand that part of it — that if somebody's got 200,000 and they put it in the bank, that means that they make 20,000 a year for doing nothing, they do nothing. You get 20,000 a year just for having that capital in place.

So when we are talking about the economic viability of the dairy industry in Manitoba, it is of vital concern, and it was a former Conservative administration that solved that by putting in place that Milk Control Board. But if there are problems, I would encourage the Member for Emerson to think about what we are building into the system five years down the road, as he suggested, if we put back in the idea of selling quotas. A quota is but a permit. I would think that if he was of the impression that this is what the formula is eventually going to include in the cost of production, and I reiterate, Mr. Speaker, everything which enters into the cost of production should be included. There should be a fair return on capital. Take your money out and put in whatever figures you want to use as a fair return for capital. If money in today's terms is worth, 10, 11, 12, 13 percent, that should be included in the cost of production. There is no question about that by any city member, there isn't; economics is economics.

But nevertheless to put in things which just have no value as far as the production is concerned, they would be a cost if some future farmer had to buy out a quota. That has to be capitalized, amortized rather. It has to be amortized some way. So if we start now building that cost into it for future generations, we are going to be in the same place that we were earlier. There is no question in my mind, Mr. Speaker, people will support an equitable system, almost universally, but especially when it comes down to commodities such as milk, so that if they can make the case that it is necessary to give a fair return then, and the Milk Control Board is not reflecting that fair return for that investment, then we have to adjust ourselves to that. But for gosh sakes don't try, don't give a group of people *carte blanche*, to write some kind of formula which is going to

cause you more problems in the future than you have at the moment. I took that to be the thrust of the Member for Inkster's debate.

MR. DEPUTY SPEAKER: The Honourable Member for Logan.

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

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: I believe it's Bill No. 88, standing in the name of the Member for Fort Rouge.

**SECOND READING — PUBLIC BILLS
BILL NO. 88 — AN ACT TO AMEND
THE CONDOMINIUM ACT**

MRS. WESTBURY presented Bill No. 88, An Act to amend The Condominium Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. WESTBURY: Thank you, Mr. Speaker. I filed this bill, of course, before Bill 83 was presented to the House and the principles of my bill do not agree with the principles of the bill which was presented by the Minister. I hope, however, that the House will see fit to send this bill, to approve it in second reading and send it on to committee, in order that the debate may be as wide-ranging as possible in the terms of the whole principle of The Condominium Act and what should be done with The Condominium Act, what the trend should be.

In explaining the principles behind Bill 88, I must say that one of the concerns that has been expressed by a number of people and has been concurred in with some of the city elected people is that there is no control over planning. The planning authority, as such, has no control over whether rental property within the city should become home ownership property or whether it should remain as rental property.

Mr. Speaker, as you may know, as members may know, the first condominium was constructed in Winnipeg only, I think it was about six or seven years ago. It was a condominium out on Corydon Avenue and was quite controversial at that time. Before that, all apartment complexes were known and understood and accepted to be rental accommodation. However, over the intervening years and particularly in the past two or three years, there has been a tendency to sell apartment buildings for home ownership, or not always home ownership, for ownership by investors, by speculators, but anyhow to sell them so that they are no longer rental properties, Mr. Speaker. And there is a very strong feeling in the community that there should be some control by the city's planning authority on whether and where rental accommodations should continue.

This is the thought behind the first and second sections of the bill, Mr. Speaker, and I do believe that this is something that has not been discussed publicly in a public forum in the past and I think it's perhaps time that this whole principle was aired and we could perhaps hear from the city politicians as well. Personally, I would hope that decisions in regard to this could be referred to Community Committees. I don't think it's something that needs to go to the whole City Council but the Community Committee is the local zoning authority and I think that, as far as I'm concerned and the other people who support this particular bill, a decision by the Community Committee would be acceptable. In that way the owners of the property, the speculators and the tenants could all be heard by their local planning councillors.

Mr. Speaker, in the next section of the bill there is a reference to striking out the words, "who have written leases", and replacing them with the words, "who have actually resided therein for at least six months before the date of registration."

Mr. Speaker, The Condominium Act previously included a requirement that registration of the condominium could not take place until the owners had the consent of 50 percent of the tenants with written leases. Mr. Speaker, unfortunately, it was found that some of the owners, some of the landlords, decided they could overcome that by letting the leases expire and then they are automatically assumed to be renewed for a six-month period, after which though of putting tenants on to one-month rental, month by month rental, and in this way they were overcoming the difficulty.

The Rentalsman tells us that in actual fact, if the lease wasn't renewed in the first six months, it was again automatically renewed for the second six months, but unfortunately, Mr. Speaker, the tenants were not aware of that. Tenants have not been apprised of their rights by government or by city or any other level, any department. It's only in the past few months that tenants have in fact been having meetings and finding out from the Rentalsman just what their rights are when their leases are allowed to expire, Mr. Speaker.

This is a very important section in that it does provide protection for those renters who perhaps are rather intimidated by the landlords and they are intimidated by government. They have not been taught during their lives to go to government and make a big fuss if they are not being treated fairly, and so when the landlord says, all right, you are on a monthly rental and when we sell your apartment you will be required to move within a month, then they accept that, because they think the landlord is telling them what is actually true; whereas, as I have already described, there is protection at the present time. Under Bill No. 83, that protection goes out the window entirely, but speaking in regard to the present law there has been protection for the tenants who have written leases.

Now we are asking, the Liberal Party is asking, for the protection to be extended to tenants who are committed to living in that block, who have decided that the apartment block is going to be their home over an extended period of time. We've inserted the period six months before the date of registration of the condominium, Mr. Speaker.

In the next section, there is reference to the rights and duties of the tenants and of the landlord, and provisions of The Landlord and Tenant Act, and the rental payable by the tenant shall not exceed the fair market value for comparable accommodation in the area in which the land is situated, to be determined in the case of dispute by arbitration under The Arbitration Act.

Mr. Speaker that is inserted so that the rent cannot be increased unconscionably, as is the case right now in an apartment block on Roslyn Road which has received a little bit of attention in the past few days from the media because of questions I raised in this House, where the increases are over 30 percent because the landlord is most anxious to turn this apartment block into a condominium. He's tried every manner that apparently he can think of to do so, to accomplish his ends. What we are asking for is that the rental should be based on the fair market rental for comparable accommodation in the particular neighbourhood. I believe that's fair to both the landlord and the tenant, Mr. Speaker.

It is not the intention of this bill to make it impossible for landlords to continue to operate. It is not the intention of this bill to prohibit or prevent condominiums, either conversion where the tenants can be reasonably satisfied or a condominium construction, and that has worked very well.

I do want to say, Mr. Speaker, that there have been instances in my constituency and others where apartment complexes have been converted to condominium without any problem at all; where they have had fair and just landlords, fair and just treatment from the landlords. The trouble is where the landlords get greedy and impatient and are not prepared to follow the law as it presently exists, and just take their time and deal fairly with the tenants.

The other aspect that I am concerned about, Mr. Speaker, and this also is covered with all of the sections here, is that the protection should exist for the tenants against the speculators who might want to purchase the building and evict the tenant in order that they can, without any quarrel or argument, increase the rents by a considerable amount. I think we are all aware that desire exists in some people. The protection has been in the past that where a tenant is in an apartment and the apartment is purchased by a speculator that the tenant can only be evicted if the purchaser or a member of the purchaser's immediate family, that is son or daughter or parents or in-laws, wanted to occupy the apartment personally, then the tenant would have to be evicted or leave at the end of the term of the lease, Mr. Speaker, and that is a very serious concern that that particular protection continue or be strengthened.

Those are my opening remarks, Mr. Speaker. I will be interested in hearing the debate, which I hope will proceed on this bill, and I hope that the House will send it on to second reading so that we can hear from the public.

MR. SPEAKER: The Honourable Member for Roblin.

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

MOTION presented and carried.

**BILL NO. 89 — AN ACT TO AMEND AN ACT
RESPECTING THE CITY OF BRANDON
AND CERTAIN NEIGHBOURING
MUNICIPALITIES AND TO AMEND
THE BRANDON CHARTER**

MR. EVANS presented Bill No. 89, An Act to amend An Act Respecting The City of Brandon and Certain Neighbouring Municipalities and to amend The Brandon Charter, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Speaker. It is my pleasure to introduce for second reading Bill 89, as a service to the city of Brandon and the Municipality of Cornwallis. After lengthy discussion and final agreement between the two municipalities, there is this bill which relates to financial provisions made between the city of Brandon and the Rural Municipality of Cornwallis respecting boundary changes that took place in 1971. If you will recall, Mr. Speaker, in that year a bill was passed allowing the city of Brandon to expand by annexation of certain lands from the Rural Municipality of Cornwallis, because it was felt at the time that Cornwallis may lose certain industrial tax revenues and thereby possibly hurt its financial base. It was decided that the city of Brandon would be required to pay to Cornwallis certain amounts of money each year in perpetuity, and indeed these moneys have been paid since that time.

Now the two municipalities have agreed to terminate this arrangement at the end of 1982 by the payments as outlined in the bill, and as you can see, Mr. Speaker, in 1980 the agreed payment will be 45,422; 1981, 30,000; 1982, 15,000; and then the Bill proceeds to, in effect, terminate the arrangement that had been laid down by the legislation of 1971, and again I emphasize that there is complete agreement between the two municipal governments in this respect.

Also the bill corrects certain minor technical descriptions of the boundary between Brandon and the Cornwallis Municipality. In effect, after some years of experience with the new boundaries of the city of Brandon, there has been found that some technical problems that have arisen with regards to description need to be corrected and in effect this bill, in fact the bulk of the material in the bill, relate to this particular correction. I would emphasize that the description, the boundary descriptions, have no bearing whatsoever on jurisdictional changes. They are strictly changes in legal description of a technical nature and have no bearing whatsoever on changing jurisdiction.

Mr. Speaker, I would therefore think that, inasmuch as there is agreement between the two municipalities involved, that this bill should be treated favourably by the Legislature and passed in due course.

Thank you.

QUESTION put, MOTION carried.

ADJOURNED DEBATES ON SECOND READING

BILL NO. 108 — AN ACT TO AMEND THE WATER POWER ACT

MR. SPEAKER: Bill No. 108, standing in the name of the Honourable Member for Logan.

MR. JENKINS: Thank you, Mr. Speaker. I adjourned this debate on behalf of the Honourable Member for Brandon East.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Speaker. I have a couple of notes on this matter, if I can lay my hands on them here.

The Bill 108, an Act to Amend The Water Power Act, as I understand it, clarifies the authority of the government in effect to fix certain rents, royalties, fees, dues, and charges, with respect to the utilization of water, the diversion of water or the storage of water.

Unfortunately, I was not in the House at the time that the Minister introduced the bill for second reading and that is something that does occur when we are in the Speed-Up Session, and I have not seen the Debates and Proceedings, so I am not totally clear as to what the Minister has stated, but I believe that this bill relates to a decision or a policy pronouncement of the Minister of Finance when he brought down his 1980 Budget, wherein he stated that it was the intention of the government to extract an additional 7 million annually by the province of Manitoba for Manitoba Hydro, for the use of water resources.

As a matter of fact, Mr. Speaker, as I read the Budget Address I see here now that specific reference is made by the Minister of Finance wherein he states, and I am quoting from page 26 of the Budget Speech, "Accordingly, it is our intention to increase water power rental rates effective June 1, 1980, from 1.25 to 3.25 per horsepower year of output. The base rate at 50 cents per horsepower year of installed output will be increased to 1.30. Under our freeze on domestic Hydro rates these changes will have no impact on Manitoba consumers."

Mr. Speaker, as I said, I believe this bill facilitates this particular direction of the government. The main point that I would make, we are not introducing something new here, water rentals have been in effect for many a year, but what I do object to is the insistence on the government that this increased charge to Manitoba Hydro will ultimately not have any bearing on Manitoba consumers of electricity, because obviously in the long run it will have to have a bearing on the consumers of Manitoba Hydro

output because even though a freeze may be in place for the time being, the fact is that when that freeze is lifted and Hydro looks at its costs of operation and requests whatever rate it requires for successful operation, this 7 million additional levy will have to be considered. As a matter of fact, it is not 7 million, it is 7 million annually, and according to the Act, of course, regulations can be changed and I imagine these rates can be increased from time to time.

Mr. Speaker, we are looking at many many millions of dollars, in effect, of a tax being levied on Manitoba Hydro, which ultimately has to be passed on to the consumers of that publicly owned utility. I make no bones about it, Mr. Speaker, that this bill in effect facilitates an additional charge on the bulk of people in Manitoba, who are the users of Manitoba Hydro services.

I believe that the freeze that has often been referred to by the Minister of Finance, of course, which is supposedly related to changing values of the Canadian dollar, which has a bearing on interest paid on foreign borrowings related to Hydro construction, I believe, of course, that freeze that the government has instituted really has very little relationship to the reason that they have given and has very little relationship to the problem, as they see it, of changing values of Canadian currency and the problem of paying interest on foreign borrowing.

I believe, Mr. Speaker, that the reason we can have — and indeed, we will be the envy of North America — relatively low rates in the future is because of the investment that took place initially a few years back in the Manitoba Hydro system. The fact that we put the Hydro facilities in place at the time that we did, and, of course, had to allow — through the Public Utilities Board and whatever mechanism — various Hydro rates to pay for it, because let us face it, Mr. Speaker, there is a very high cost of construction on the Nelson River. It is relatively remote and the irony of it is you use a lot of cement. A lot of concrete has to be poured in place and one of the key factors in manufacturing cement is natural gas, and natural gas has been increasing at an exorbitant rate because it has been related to the increase in the price of oil.

Therefore, Mr. Speaker, the construction costs have skyrocketed even years back, a few years back, but while the cost of construction were indeed higher than one would have liked to see them at that time, I would suggest, Mr. Speaker, in all respect, that any attempt to reproduce what we have done along the Nelson River to date would be a cost of some multiple of what was originally required to put the Hydro system in place. So we have got an investment there, an investment that has served the people well, and will serve the people very well in the years to come. I say that the real reason for no rate increases or virtually no rate increases in the years ahead is because of that initial investment made by the previous government.

Mr. Speaker, the fact is that we are now facilitating with this bill, we are facilitating an additional charge on the utility system and I think the people of Manitoba should recognize then that in effect we have something in the nature of a tax going on here, because, of course, the Hydro has no option but to pay it to the government. It is a mandatory charge

by the government of Manitoba Hydro and I say there is no way that you can expect Manitoba Hydro over the years not to have to take this as a real cost in calculation of rate increases in the future and, I daresay, Mr. Speaker, if there are rate increases in the future they could be related to increasing water rentals. The government has unlimited ability to increase water rentals and you can, in effect, I can see events unfolding whereby Hydro may be forced to increase their rates, not because of increasing construction costs but because of increasing charges by the government of Manitoba, by an increasing tax levy in effect by the government of Manitoba, Mr. Speaker.

I don't know whether I can object to the principle of water power rental because it has been in effect for many decades, but what I do object to, Mr. Speaker, is the fact that we are now going to sock a large cost to the Manitoba Hydro Utility and that ultimately Manitoba Hydro users are going to have to pay a great deal more, possibly. I don't have all the figures. I can't calculate it. I don't know what the intentions of the government are. All I know is at the moment they are ready to collect another 7 million annually. If rates cannot go up for three or four or five years as that charge accumulates, it could mean a rather substantial rate increase by Manitoba Hydro at the end of the rate freeze, related essentially to this bill and what it enables.

I think, Mr. Speaker, it is a bill that we should look at very closely and it will be interesting to see whether there will be any public representation in the committee stage, when it gets to that point.

QUESTION put, MOTION carried.

BILL NO. 32 — AN ACT TO AMEND THE REAL ESTATE BROKERS ACT

MR. SPEAKER: Bill No. 32, standing in the name of the Honourable Member for Gladstone.

MR. FERGUSON: Thank you, Mr. Speaker. I adjourned this bill because I thought that the Minister might want to make some comments on it.

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

MR. JORGENSEN: Mr. Speaker, I will be closing debate, if I speak.

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

MR. JORGENSEN: Mr. Speaker, I suppose that the questions that were asked by the Member for Inkster could have been answered just as well in the committee, but since I have this opportunity I just want to briefly respond to a question that he asked with respect to notices of termination and the provision that the notice of termination require that the reason for that termination be included. I might point out in this connection that the act has long required, that when a salesman's employment is terminated, the reasons for the termination be included, and that is simply a provision of the act just extending that to authorized officials.

I might also point out that the purpose of that amendment is to ensure, that if a person's position has been terminated because of a breach of trust or reasons dealing with the public, that that is stated so that the Registrar will know that, and in the event that another application for registration comes in that name, he will be on the alert and take whatever action he feels is necessary. It in no way deals with personal matters or anything of that nature; the Registrar is not interested in that sort of thing, he's interested only in his capability of performing his function as an official of the company that does business with the public.

QUESTION put MOTION carried.

ADJOURNED DEBATE ON THIRD READING

BILL NO. 70 — THE BLOOD TEST ACT

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I was not in the House when this bill was dealt with at second reading, nor was I in the House when it was dealt with by committee, but it is, Mr. Speaker, nevertheless one of the bills that I would like to deal with, and although I will give my friend the Member for Emerson rank when it comes to milk, I think with regard to blood, Mr. Speaker, that we are all on the same level and that we can all talk about blood with the same degree of expertise.

The interesting thing, Mr. Speaker, about blood is that a lot of people regarded the red flag as a signal of radicalism, and Clarence Darrow in one of his great defences indicated that the real meaning of the red flag is that it denotes the blood that flows through the bodies of all human beings wherever they may live. It is a signal, not of leftism, but internationalism, but you may include both as being the same thing, which to some extent they are.

Mr. Speaker, I am very concerned with this piece of legislation, and I want the honourable members to listen to me because I do not think that this piece of legislation has anything to do with the position of the government, or that it denotes some political position if one votes against the legislation. And I am urging, Mr. Speaker, a vote against the legislation, because even if its wording would bring about some, or even if its intention is to bring about a minimal change, I believe that its wording brings about a significant change.

Now what it appears to be saying, is that if a person was involved in driving a vehicle and a duly qualified medical practitioner happens to get his hands on that person within several hours of him having driven that vehicle, he can, and the words are, "without compulsion take a sample of a person's blood." Now two things are involved: (1) taking a sample of a person's blood. And there was, Mr. Speaker, significant debate about the breathalyzer. There was a question as to whether this was involuntarily requiring a person to relinquish his civil rights. I ask the members to translate that into a blood test. There was no suggestion, or there may have been suggestion, but I believe that it would have been impossible, given the debate on the

breathalyzer, to have required anybody to take a blood test; in other words to take the breathalyzer legislation and translate it into requiring a person to give a blood test who did not wish to do so. Because there are things, Mr. Speaker, and it becomes very very difficult to start drawing the line, and that's why I like to draw the line as soon as I see it and not to wait until it becomes a regular thing and something which people have become accustomed to, to a person permitting a trespass to his person at the requirement of some law. There is no law that presently requires — I hope that there are lawyers in the House who will correct me if I'm wrong — a person to take a blood test.

Mr. Speaker, in order to get married, you have to take a blood test, and you voluntarily submit to a blood test. Mr. Speaker, you are permitted to get a licence if you produce a blood test. You don't have to get married, and there are a lot of people who don't, so it is still part of a voluntarily act. But I thank the honourable member, that is one feature where a blood test is required. Of course, Mr. Speaker, when you go to the doctor you almost invariably — he says several things; he puts this bandage around your arm; he takes your blood pressure; he says pee in the bottle, he takes your urinalysis; he sticks a needle into you and he takes a blood test; and everybody goes ahead and does it. I'm not suggesting that it's not something that one willingly does not do. But this particular legislation, Mr. Speaker, is designed to do two things. It's designed to first of all enable a doctor to get a blood test for a purpose which has nothing to do with the reason that he is there, absolutely nothing, and to become an informer on that person without a blood test. The only protection that's afforded here, Mr. Speaker, are the words, "without compulsion".

There are many ways that it can be taken without compulsion. First of all, the person could not be conscious, in which case it is without compulsion. Secondly, the doctor could say, I am going to take a sample of your blood, and the person to whom he is talking could have no idea that this sample is being used for the purpose of having it conveyed to somebody for a purpose which has nothing to do with why the doctor treated him, and of course that's the purpose of the Act. The purpose of the Act is to enable a doctor to trick somebody into getting a blood test and then sending it on to the authorities.

Mr. Speaker, I appreciate that the apprehension and conviction of criminals is something which we should be concerned with, but we have, Mr. Speaker, in many instances drawn the line and said that it is much more important that we protect the citizen from unwarranted interference than that we get a conviction in every case. And this is an area, Mr. Speaker, where we appear to say that it is more important that we trick a person into giving a blood test for the purpose of trying to get a conviction than to protect the integrity of the subject.

Now, if this, Mr. Speaker, was intended to be a fair piece of legislation, it should say that the doctor can take a blood test if he informs the person to whom he is taking a test, of his intention to take the test, the reason for taking it, and his intention to convey it, because, Mr. Speaker, I can think of many reasons why, well I'm not so certain that many, but I'll give you one right off the top of my head. It may

be considered by some, although I'm not putting myself into that category, that the paternity of a child be established in every case and that there be permission for a doctor to take a blood test and convey paternity. Now he can't convey actual paternity, but you can prove that the husband of the mother is not the father of the child if you did that. Would we desire, Mr. Speaker, to have that kind of requirement in order to make that type of determination?

There are other things, Mr. Speaker, one could imagine that could be obtained by virtue of this type of provision and I, Mr. Speaker, am certainly not convinced that this form of almost trickery, to permit a doctor to take a blood sample and become an informer, is a remedy with respect to the commission of an offence which is not, Mr. Speaker, far worse than the disease itself, and therefore I urge honourable members to vote against this bill even though it's here in third reading.

QUESTION put, MOTION defeated.

MR. SPEAKER: The Honourable Minister.

MR. CRAIK: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the Members.

Order please. The Motion before the House is Third Reading on Bill No. 70, The Blood Test Act.

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

YEAS

Messrs. Adam, Anderson, Banman, Blake, Boyce, Brown, Cowan, Craik, Desjardins, Doern, Domino, Driedger, Einarson, Evans, Ferguson, Filmon, Fox, Galbraith, Hyde, Jenkins, Johnston, Jorgenson, Kovnats, McBryde, McGill, McGregor, McKenzie, Orchard, Parasiuk, Pawley, Mrs. Price, Messrs. Ransom, Sherman, Steen, Uruski, Walding, Mrs. Westbury, Mr. Wilson.

NAYS

Messrs. Green and Minaker.

MR. CLERK: Yeas 38, Nays 2.

MR. SPEAKER: I declare the Motion carried.

Bill No. 65, The Registered Nurses Act, standing in the name of the Honourable Member for Logan. (Stand)

Bill No. 66, The Registered Psychiatric Nurses Act, standing in the name of the Honourable Member for Logan. (Stand)

ADJOURNED DEBATES ON SECOND READING

BILL NO. 83 — AN ACT TO AMEND THE LANDLORD AND TENANT ACT AND THE CONDOMINIUM ACT

MR. SPEAKER: Bill No. 83 standing in the name of the Honourable Member for The Pas.

MR. McBRYDE: Thank you, Mr. Speaker. I welcome this opportunity to speak on Bill 83 and the amendments thereto that have been moved.

This afternoon we saw the Minister in the process of using his own criteria to measure how weak or how strong your case was, the Minister's theory being that the louder you speak, the weaker your case is. This afternoon when the Minister was hollering in the Legislature he said something to the effect that he didn't really rely on any technical reports or any reports of factual information to make his decision to proceed with this particular bill, and I think, Mr. Speaker, that is probably something that came out during the heat of the debate and something that reveals quite adequately or quite effectively the position of this Minister and this government in regard to the control of rents and the decontrol of rents within the province of Manitoba, and the other items contained within this bill which will allow rent increases to take place, which will probably take place at quite a rapid rate.

Mr. Speaker, I think this reflects the Minister's own philosophy in terms of this bill, and that is the government that governs least governs best, and the Minister feels that the government should not be in any way involved in the regulations in the control of this matter, which is the benefit of tenants in the province of Manitoba.

Somewhere within the system some reports that didn't show complete support for the Minister's position, for the government's position, some factual technical reports got changed before they got to members of this Legislature, and, Mr. Speaker, the Minister indicates that he was not involved in that, that he got the one report that he tabled to members of the Legislature. But in order to make sure that is clear and understood, I would like to read into the record the letter that the Minister received today from Mr. Garry Doer, President of the Manitoba Government Employees Association. This letter, Mr. Speaker, is dated July 11th, 1980, to the Honourable Warner H. Jorgenson, Minister of Consumer and Corporate Affairs and Environment, Legislative Building, etc.

"Dear Sir: It has come to my attention that senior level officials within your department have, without your apparent awareness, purposely and unnecessarily manipulated or censored rent decontrol reports prepared by department personnel. This action challenges the integrity of provincial government employees, as well as the concept of democratic accountability."

This letter that I have says, "Even a cursory review clearly shows original rent decontrol reports have been censored in a significant number of areas. No. 1, the more readily understood summaries included in the original decontrol reports made by monitoring personnel have been omitted from publicly released reports; No. 2, the average percentage rental increases reported in the released reports on decontrol do not reflect specific impact areas of Winnipeg. This information was omitted and censored from the released report. No. 3, the vacancy rates reported in the publicly released reports do not give the overall true picture in Winnipeg due to censorship of original reports. No. 4, the released departmental reports do not correlate

the relationship of rent increases between older housing units and newer units.

"The workload within the rent review offices has more than doubled over the past two weeks. Also, sources in the department advise that proposed rent increases following decontrol will average approximately 22 percent.

"Here is an example of one employee's intake rent factors in one day alone. No. 1, 206-117 Grant Avenue, from 272 per month to 314 per month, an increase of 15 percent; No. 2, 28 Woodrow Place, from 148 to 200, an increase of 35 percent; 508-876 Cambridge, from 218 a month to 299 a month, an increase of 39 percent; No. 4, 1236 Woodrow, from 236 per month to 285 per month, an increase of 20 percent; No. 5, 219-415 Edison, from 216 a month to 260 per month, an increase of 20 percent; No. 6, at 1228 Woodrow Place, from 195 a month to 300 per month, an increase of 54 percent; No. 7, 109-1050 Powers, from 209 a month to 251 per month, an increase of 20 percent; No. 8, at 4051 Evergreen, from 294 a month to 344 per month, an increase of 17 percent; No. 9, at 628 Woodrow Place, from 160 a month to 235 per month, an increase of 46 percent.

"In view of the present situation on Bill 83, we are formally requesting that you reconsider your policies, which appear to be based on assumptions supported by inadequate rent decontrol monitoring information.

"We are also requesting that you extend all aspects and resources now supporting the Rent Review Board. In order that the elected representatives are in a position to make the necessary decisions, I am taking the liberty of forwarding copies of the original decontrol reports, as prepared by monitoring staff of your department, to all MLAs." That is, Yours sincerely, Garry Doer, President of the Manitoba Government Employees Association.

Mr. Speaker, one of the main, one of the key items that was missing in the tabled reports that affect the ability of this House to deal with the proposed legislation that we have in front of us is the fact that the reports, the original reports, the unaltered reports demonstrate that the rent increases are most drastic, are highest within the older blocks, within the older units, and I think that members of this House are well aware of the fact that many or the majority of these older units are within the core area of the city of Winnipeg. In other words, Mr. Speaker, the people that can least afford the kind of rent increases that we are talking about. And it appears that the estimated average is going to be about 22 percent. You could see from the figures I read that the range is, in this small sampling, from 15 to 54 percent, and other members of this House, the Member for Transcona, the Member for Elmwood, even the Member for Wolseley, were able to quote figures from their own constituency and from their own awareness that shows that some of these rent increases were very high. What was left out from the documentation that we received in this House was that very important part of the study; that is, when you isolate the types of units and how the different types of units will be affected, it is clearly demonstrated that the older the unit, the higher the rent increase.

Mr. Speaker, that is the exact type of situation; that is the exact type of rent increase; that is the exact type of gouging that the initial legislation on rent control was brought in to prevent, in those kind of units where people could least afford the kind of rent increased and those kind of rent increases that are related not so much to the nature of the facility that is available but related to the fact that people want to get as much money from these old units as they can, because if they tore down those units and sold the land, they would be able to make a considerable amount of money. So they want to make a considerable amount of money if they leave these units in place. These are the older units, mostly within the core area of the city of Winnipeg that give us that kind of problem and the kind of problem that this government needs to deal with.

Mr. Speaker, the members opposite were quite correct. Initially when the legislation was brought in to monitor rents, to provide rent control, the government of the day, the NDP government of the day, saw this as being linked with a number of things, saw this being linked with wage and price controls and saw this being linked also to the market, the housing situation within the province of Manitoba. We have had the opportunity during estimates and during questions, etc., during this House, to deal with the government's lack of a housing policy, to deal with this government's lack of effort in terms of making sure that decent housing is available. Because if in fact there is housing available in all the different categories or the housing needs, then the need for rent control, of course, decreases.

The problem is that the members opposite are basing their decision upon not a specific example or not types of examples, but only on an across-the-board view of the situation. So there are vacancies within units, within newer units, within higher cost units, within those units that are aimed at people who can afford to pay a high rent. There does not appear to be from the information available that kind of a surplus of housing, that kind of a situation that would encourage landlords to keep the rents low in order to fill up their units, does not appear to be the situation within the lower cost rental units within the city of Winnipeg and really within the core area of Winnipeg. So by failing to look at the specific types of examples, and by failing to make available to members of the Legislature the reports that do zero in on the different types of categories of housing within the province of Manitoba, the government has failed to demonstrate that now is the time to decontrol, to take these regulations away that assists people, and they have failed to provide the evidence to the House that would show that that is the present situation within the province of Manitoba. They also failed, Mr. Speaker, which is of great concern to us, to table the information that does show the situation that I am talking about.

Now outside of the city of Winnipeg, and within many newer units within the city of Winnipeg, the decontrol has been in effect for a while. Within the northern area of the province, certainly the controls have been off now — and if I can just find my report, Mr. Speaker, that shows the effects in the rural areas of that situation — I do report, Mr. Speaker, from one of the documents that were tabled in the

Legislature, and it is a report on the rent decontrol in Manitoba prepared by the Rent Stabilization Board.

In the city of Dauphin they sampled 136 units, but the complete information was reported from 86 persons in 181 units. Of the 29 houses that were reported, the average rent was 159; of the 20 duplexes the average rent was 137; of the apartment blocks from three units, the average rent was 222; and the other includes single units attached to commercial property and multiplexes. Of the thirteen units there the average rent was 135. The kind of rent increases that took place according to this survey, which is survey number two for Dauphin, show that in the houses the average increase was 8.5 percent, in the duplexes the average increase was 12.9 percent, in the blocks the average increase was 7.4 percent, and in the others the average increase was 9.1 percent.

Mr. Speaker, I haven't had an interpretation of these results, but there is some discrepancy in those kinds of figures between survey number two and survey number one update, which shows quite a bit higher figures in terms of the increases. In the Dauphin area for example the average increase of those increases that were reported was 15.1 percent for houses, 13.5 for duplexes, 7.8 for blocks, and 13 percent for other types of units.

The survey that was tabled in the House also shows a number of southern communities, and it has two samplings from northern Manitoba. The sampling unit at The Pas was not very large, 20 persons out of 73 responded to the survey, and that survey showed that the house rent increase was 7.3 percent, the duplex increase was 11.9 percent, and the increases in others — and these are the ones that are attached to commercial property or multiplexes, and Mr. Speaker, we do have a large number of those types of units within the community of The Pas — the increase in those units according to this survey was 22.6 percent.

In the community of Flin Flon, again only 20 samples out of 50 requested; house increase was 15 percent and the duplex increase was 12 percent. That reflects an area of Manitoba in which the decontrol was decided upon because of the market situation. Now the market in The Pas has been fairly tight for a while but it hasn't been that bad in the last two to three years. I don't know if it has any relationship to events in the fall of 1977 or not, but there seems to be more units available for rent within that community. The survey didn't touch on Thompson, Mr. Speaker, but I'm sure it's quite possible to rent at very reasonable rates within the city of Thompson at this particular time with the decline in population in that large northern community.

In some specific instances still, from these figures in the rural area, where the controls have been off, in certain types of units, like the ones in The Pas where it's attached to a commercial premises; there are apartment blocks over most of the stores on the two main streets in The Pas, and there are a number of other types of blocks that are attached to other types of units, in that case the rent increase was high. If we could see if the government could produce the kind of evidence in, not just across-the-board averages, and it looks like across-the-board averages could be 22 percent, but that in fact if in

the specific types of units, in the specific categories of housing, if the government could show as the Landlords' Association indicated it, rents would probably be 10 percent or less, then I don't think you would see the kind of opposition that we are getting. But even in the rural areas where the housing situation was different we have had increases quite a bit higher than 10 percent, and in fact we can see from the various units that the increases have been reported as high as 85 percent; within the sample I quoted here up to 54 percent.

Again, Mr. Speaker, you can't take the general overall average, but you have to take a look at the price range and the types of units that are available, and the rent increases are going to be very high within the city of Winnipeg, within the older units, and in some of the rural areas with certain types of specific units. Again that is the kind of people that can afford that the least, and those are the people that I imagine are going to come to this Legislature, going to come before committee and present their argument and their case in terms of the actions of this government.

I am concerned, Mr. Speaker, because the Minister who is responsible for this legislation did not get from his officials the full information, the full story. Now the Minister indicated that he wasn't relying upon that anyway, that he wasn't relying upon those reports, but perhaps the Minister of Consumer Affairs if he had the full information could see that this was not the time to effect a full decontrol, and that maybe in specific kinds of instances and circumstances a form of control was still quite necessary. I am not sure whether it's because of the Minister's philosophical position that I said earlier, that he just personally doesn't believe in the controls' approach, and that he wants to get the government out of controls altogether, if that could be one reason why staff within the department didn't give him the information that don't back up that particular point of view; that deleted certain information from the reports that we got from the Minister.

I think there is a comparison here between the Minister responsible for MHRC and the Minister of Consumer Affairs, because during the estimates of the Minister responsible for MHRC, I launched a strong attack on the Minister responsible for MHRC in relationship to what was happening in the rural and native housing program, and I think the situation here is quite similar. When the Minister, or at least his department became fully aware of the facts of the situation, there were some fairly quick and dramatic changes, and I would like to thank the Minister for MHRC for that coming about; for either him or his departmental officials, when the pressure was on, when the facts were presented, moving quite quickly. Because about the very same time that I was chastising the Minister responsible for MHRC and his agency's handling of the Rural and Native Housing Program, 22 applications were approved, the most applications that have been approved in a block since the provincial agency became involved in that situation.

Either the Minister or some of his officials, when they knew that we knew what they were doing, they changed the policy, they changed the program, and I think that is what should happen with this Minister,

with this particular bill. Because when the Minister or his departmental officials for MHRC became aware of the fact that we knew that they were in fact setting some unwritten guidelines in terms of who would be accepted in the program, then the applications were approved when they were aware that we knew of this. In fact 11 of the 22 applications were people who were on welfare, who needed that program, and previous to that, people on welfare had not been approved by the government and by MHRC.

I can assume that the Minister, because action came about, was not fully aware of the facts of what was happening with MHRC and that's why he was not pushing them to deliver these housing units. He was not aware of the guidelines that had been put into effect by staff. He was not aware of the delay that was taking place in terms of that particular program, and he answered me when I asked him a question, when I made some comments about turning back applications — and there were so many reasons you could do it, because the form was so long and complicated that you could find 101 reasons to turn back an application — and the Minister, on the advice of his staff in the Legislature, said the application is only one page long, so the Member for The Pas, once again, doesn't know what he is talking about.

Mr. Speaker, I had to go back over then and get the application form that goes to MHRC, and I counted the pages of the application form that goes to MHRC, and it is 17 pages long. That's the basic minimum. Many of the files in the MHRC are much thicker than the 17 basic pages of an application for that situation.

What I am saying, is that obviously the Ministers — and this can happen, Mr. Speaker — I'm not saying that it never happened before and it will never happen again — often the Minister is not fully aware of everything that is happening within the agencies and the department that he or she is responsible for. In this case I was assuming it was the Minister, but maybe it wasn't the Minister, maybe it was departmental staff, when the pressure was on, when they became aware that we knew what they were doing to that program, they changed their approach. They started to approve the applications under that program. And I am hoping and I am pleading that the Minister of Consumer Affairs responsible for this bill will now more fully appraise himself of the facts and the information that's available and that he will make some adjustment and some change within what he intends to do, within what he hopes to do, and that he will in fact, as his many colleagues on his side of the House, many of his colleagues from the Conservative Party who know that in their particular area of people who will be hurt, people will be negatively affected if this legislation is approved as it stands now, are asking for changes, and are asking for amendments within this act.

We have that kind of example. That is the key element in the general principle of this bill, the doing away with the ability to stabilize and control and effectively monitor or rollback rent increases within the province of Manitoba.

The other area that this legislation applies to, Mr. Speaker, that members might not be fully aware of, is that it can apply also, besides the actual units

themselves, can also apply to the rental of lots in terms of a trailer park or trailer court, and this legislation has been applied and used in that particular type of situation. The members opposite, I think, are well aware that there are landlords who have been dissatisfied, who have been unhappy with the imposition of The Rent Stabilization Act and the Rent Review Board, and have complained quite vigorously about how that applied and how that has worked within the province of Manitoba.

In 1973, there were two landlords that I was personally familiar with, personally knew quite well that voted for myself and the New Democratic Party in the election previously; excuse me, in the 1969 election. After the Rent Review Board came into effect, The Rent Stabilization Act came into effect, both of those people became active, aggressive campaigners for the Conservative Party because they felt that they had their business interests hurt by the fact that The Rent Stabilization Act was in effect and the Rent Review Board was in effect.

The other thing that is happening right now that the Minister should be looking at and should be changing his policy and position on is the fact that the eight staff that are being laid off, or have been laid off already by the Minister, when in fact the workload of that staff has doubled and the urban members of this Legislature are now getting more complaints than they have ever had before in terms of rent increases within the city of Winnipeg. I don't think there is any urban member that hasn't been getting those kind of complaints and those kinds of concerns, and I don't think that there are many urban members that are in closely contested seats that are not concerned about the legislation that we have before us and are not hoping that it will be changed quite considerably and quite effectively before it is finally approved by this Legislature.

There is some other change within the Act besides the major change in the ability to control, monitor, and roll back rent increases, is the aspect of the bill relating to families with school children, and the ability of the change in that section of the legislation which would now make it easier for families with school children to not have a place to stay and to force them to have to move to different areas of the city to have their children change schools, etc. That is another aspect of the Act that I think that tenants are quite concerned about it.

Mr. Speaker, some part of my particular experience and work experience has been in the area of what is called community development or assisting people to organize themselves to do things for themselves, and I am sure the Minister of Consumer Services likes that aspect of voluntary organizations and people doing things to solve their own problems, and certain groups of people being able to organize themselves so they don't have to depend upon government; they can become more independent, and look after their own concerns, and their own needs, and their own problem situations. One group that appears to be necessary to assist to be organized, it seems to be in their own interest to get organized, is the tenants, especially the tenants within large blocks or large units within the province of Manitoba.

We had that situation in The Pas, Mr. Speaker, where the tenants of the trailer court organized

themselves into a tenants' association or a trailer owners' association, so that they could negotiate with the landlord, so that they could deal with the landlord. In that particular case also, that they could help to mediate and moderate a dispute between the landlord and the local government district in terms of taxes, etc.

It seems to me to be very practical for this government to allow tenants to organize. In fact, it even seems to me that it would be worthwhile for this government to allow tenants to organize, to give them some power within the marketplace, some power within the negotiation with the landlords. Because within the city of Winnipeg the majority of units are controlled by about five large organizations, large companies, and it appears to me that it is not only worthwhile and practical, but necessary for tenants to organize to protect their own self-interest.

Yet it appears in this bill that those rights can be lost in terms of a landlord is not specifically no longer prevented from letting someone go, giving somebody a hard time, giving someone notice, because in fact they have been involved in a tenants' organization, in organizing a tenants' organization, in being members of a tenants' organization, or negotiating with the landlord in a tenant organization.

Mr. Speaker, that basically eliminates the possible effectiveness of any organization, because anyone involved in the union movement or in other organizational activities know that if you can fire the leaders of any group, you have really damaged that group to do anything. In this case you can't fire the leaders of the that group, you can just rid them of a place to stay. In the old days of unions in company towns where in fact, if the employees went on strike, they could be kicked out of their company housing, it was a very effective means to control any union activity; it was a very effective means to prevent any strikes within those communities.

So we have here an Act that in this one more way increases the power of the landlord over the tenants, and I think as members of the Legislature in all aspects we should be striving for, we should be fighting for at least some equality between groups within our society and our system, to achieve some kind of a balance so that in fact that people can protect themselves without having to rely upon government; that people can protect themselves by organizing and that there will be some fairness because there is that balance of power within a system. But this Act, this section and this entire Act, this entire bill that we are dealing with effectively tips that balance back quite drastically, quite radically back, that the landlords now have the full power, and tenants and the people of the province of Manitoba have very little power.

MR. SPEAKER: The Honourable Member has five minutes.

MR. McBRYDE: Thank you, Mr. Speaker. So basically what the Act before us does is take away that fairness and that opportunity of people to protect themselves in terms of unreasonable . . . Mr. Speaker, I am sure that most of the landlords are quite reasonable and the majority of rent increases will be quite reasonable, but we are repealing, what we are doing away with, what this government is

doing away with is the ability to deal with those landlords that are not reasonable; those landlords that are going to take advantage of their tenants; those landlords that are going to gouge their tenants with large rent increases. So the balance of power has tipped, has gone radically back to the landlord, to the people who own the housing stock, and away from the tenants and the working people that have to live in those units and rent those units, and, Mr. Speaker, that is why we on this side of the House are opposed to the actions and the intent of this government.

MR. SPEAKER: The Honourable Member for Churchill.

MR. COWAN: Thank you, Mr. Speaker. I would be prepared to adjourn the debate. I move, seconded by the Member for Kildonan, that the debate be adjourned, Mr. Speaker.

MOTION presented and carried.

MR. SPEAKER: Is there some inclination on the part of members of the House to call it 5:30? (Agreed) The hour being 5:30, the House is accordingly adjourned and stands adjourned until 8:00 o'clock this evening (Friday).