

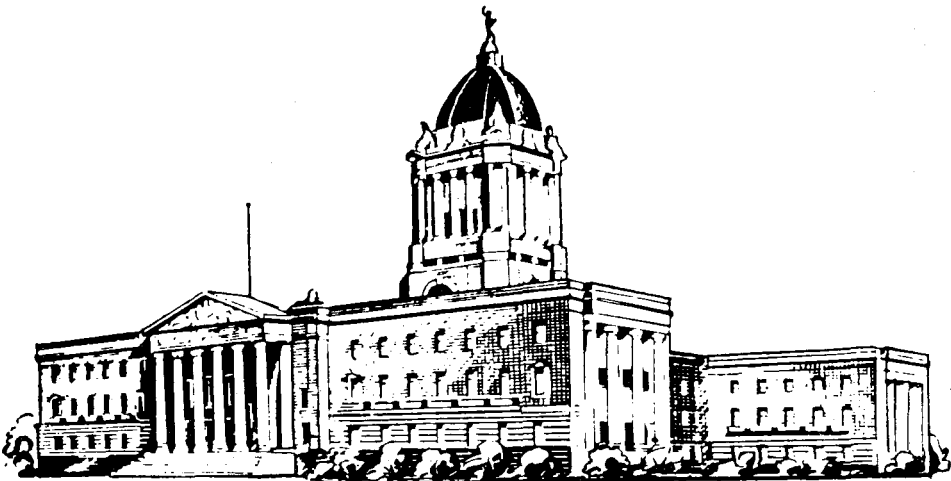


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XXII No. 114 2:30 p.m., Thursday, June 5th, 1975.

Second Session, 30th Legislature.

Electoral Division	Name	Political Affiliation	Address	Postal Code
ARTHUR	J. Douglas Watt	P.C.	Reston, Man.	R0M 1X0
ASSINIBOIA	Steve Patrick	Lib.	10 Red Roblin Pl., Winnipeg	R3J 3L8
BIRTLE-RUSSELL	Harry E. Graham	P.C.	Binscarth, Man.	R0J 0G0
BRANDON EAST	Hon. Leonard S. Evans	NDP	Legislative Bldg., Winnipeg	R3C 0V8
BRANDON WEST	Edward McGill	P.C.	2228 Princess Ave., Brandon	R7B 0H9
BURROWS	Hon. Ben Hanuschak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
CHARLESWOOD	Arthur Moug	P.C.	29 Willow Ridge Rd., Winnipeg	R3R 1L5
CHURCHILL	Les Osland	NDP	66 Radisson Blvd., Churchill	R0B 0E0
CRESCENTWOOD	Vacant			
DAUPHIN	Hon. Peter Burtniak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ELMWOOD	Hon. Russell J. Doern	NDP	Legislative Bldg., Winnipeg	R3C 0V8
EMERSON	Steve Derewianchuk	NDP	Vita, Manitoba	R0A 2K0
FLIN FLON	Thomas Barrow	NDP	Cranberry Portage, Man.	R0B 0H0
FORT GARRY	L.R. (Bud) Sherman	P.C.	86 Niagara St., Winnipeg	R3N 0T9
FORT ROUGE	Lloyd Axworthy	Lib.	132 Osborne St. S., Winnipeg	R3L 1Y5
GIMLI	John C. Gottfried	NDP	44 - 3rd Ave., Gimli, Man.	R0C 1B0
GLADSTONE	James R. Ferguson	P.C.	Gladstone, Man.	R0J 0T0
INKSTER	Hon. Sidney Green, Q.C.	NDP	Legislative Bldg., Winnipeg	R3C 0V8
KILDONAN	Hon. Peter Fox	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAC DU BONNET	Hon. Sam Uskiw	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAKESIDE	Harry J. Enns	P.C.	Woodlands, Man.	R0C 3H0
LA VERENDRYE	Bob Banman	P.C.	Steinbach, Man.	R0A 2A0
LOGAN	William Jenkins	NDP	1294 Erin St., Winnipeg	R3E 2S6
MINNEDOSA	David Blake	P.C.	Minnedosa, Man.	R0J 1E0
MORRIS	Warner H. Jorgenson	P.C.	Morris, Man.	R0G 1K0
OSBORNE	Hon. Ian Turnbull	NDP	Legislative Bldg., Winnipeg	R3C 0V8
PEMBINA	George Henderson	P.C.	Manitou, Man.	R0G 1G0
POINT DOUGLAS	Donald Malinowski	NDP	23 Coralberry Ave., Winnipeg	R2V 2P2
PORTAGE LA PRAIRIE	Gordon E. Johnston	Lib.	26-120 - 6th St., S.E., Portage la Prairie, Man.	R1N 1E8
RADISSON	Harry Shafransky	NDP	4 Maplehurst Rd., Winnipeg	R2J 1W8
RHINELAND	Arnold Brown	P.C.	Winkler, Man.	R0G 2X0
RIEL	Donald W. Craik	P.C.	3 River Lane, Winnipeg	R2M 3Y8
RIVER HEIGHTS	Sidney Spivak, Q.C.	P.C.	Legislative Bldg., Winnipeg	R3C 0V8
ROBLIN	J. Wally McKenzie	P.C.	Inglis, Man.	R0J 0X0
ROCK LAKE	Henry J. Einarson	P.C.	Glenboro, Man.	R0K 0X0
ROSSMERE	Hon. Ed. Schreyer	NDP	Legislative Bldg., Winnipeg	R3C 0V8
RUPERTSLAND	Hon. Harvey Bostrom	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ST. BONIFACE	Hon. L.L. Desjardins	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ST. GEORGE	Hon. Bill Uruski	NDP	10th flr., 330 Portage Ave., Wpg.	R3C 0C4
ST. JAMES	George Minaker	P.C.	318 Ronald St., Winnipeg	R3J 3J8
ST. JOHNS	Saul Cherniack, Q.C.	NDP	333 St. Johns Ave., Winnipeg	R2W 1H2
ST. MATTHEWS	Wally Johannson	NDP	418 Home St., Winnipeg	R3G 1X4
ST. VITAL	D.J. Walding	NDP	26 Hemlock Place, Winnipeg	R2H 1L7
STE. ROSE	A.R. (Pete) Adam	NDP	Ste. Rose du Lac, Man.	R0L 1S0
SELKIRK	Hon. Howard Pawley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SEVEN OAKS	Hon. Saul A. Miller	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SOURIS KILLARNEY	Earl McKellar	P.C.	Nesbitt, Man.	R0K 1P0
SPRINGFIELD	Hon. René E. Toupin	NDP	Legislative Bldg., Winnipeg	R3C 0V8
STURGEON CREEK	J. Frank Johnston	P.C.	310 Overdale St., Winnipeg	R3J 2G3
SWAN RIVER	James H. Bilton	P.C.	Swan River, Man.	R0L 1Z0
THE PAS	Hon. Ron McBryde	NDP	Legislative Bldg., Winnipeg	R3C 0V8
THOMPSON	Ken Dillen	NDP	84 Pintail Cres., Thompson	R8N 1A6
TRANSCONA	Hon. Russell Paulley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
VIRDEN	Morris McGregor	P.C.	Kenton, Man.	R0M 0Z0
WELLINGTON	Philip M. Petursson	NDP	681 Banning St., Winnipeg	R3G 2G3
WINNIPEG CENTRE	Hon. J.R. (Bud) Boyce	NDP	Legislative Bldg., Winnipeg	R3C 0V8
WOLSELEY	Vacant			

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, June 5, 1975

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery, where we have 32 students, Grade 9 standing, of the Bruce Junior High School, under the direction of Mr. Warkentin. This school is located in the constituency of the Honourable Member for Sturgeon Creek.

We have 23 students, Grade 11 standing, of the Boissevain Collegiate, under the direction of Mr. Dueck. This school is located in the constituency of the Honourable Member for Souris-Killarney.

We have 23 students, Grade 6 and 7 standing, of the Forest Elementary School, under the direction of Mr. Blair, from the constituency of the Honourable Member for Minnedosa.

And we have 19 students of high school standing, of the Mary Mound School, which is the host to Heart of Mary High School from Illinois, who are their guests under the direction of Mr. Kolotylo. This school is located in the constituency of the Honourable Member for St. Johns.

And we have 27 students, Grade 7 standing, of the Rossburn Elementary School, under the direction of Mr. Procyk, from the constituency of the Honourable Member for Birtle-Russell.

And 34 students, Grade 6 standing, of the King George School of Kenora, Ontario, under the direction of Mr. McCammon.

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

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; Questions. The Honourable Member for Fort Rouge.

ORAL QUESTIONS

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Colleges and Universities. Can he inform the House whether the Board of Governors of the University of Manitoba has yet discussed with the University Grants Commission the proposed \$1.9 million deficit for the university?

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education) (Burrows): At the present point in time, Mr. Speaker, my information is that it has not, because the Grants Commission isn't scheduled to meet until some time next week, although I cannot say that precisely because it may be that the meeting date may have been changed.

MR. AXWORTHY: I have a supplementary, Mr. Speaker. Can the Minister indicate whether the Grants Commission or the Department of Colleges and Universities has in any way changed its instructions to the university that it must provide a balanced budget in the forthcoming academic year?

MR. HANUSCHAK: I'm not quite certain what the honourable member's question is, because whatever dealings there were with the university with respect to its budgeting for the present fiscal year, that discussion transpired between the Grants Commission and the University of Manitoba, and not between the Department of Colleges and Universities and the university.

MR. AXWORTHY: Well, Mr. Speaker, can the Minister who is responsible for the operation of the University Grants Commission indicate whether there has been any change in the conditions laid down in the February 27th meeting between the UGC and the Board of Governors - were such conditions requiring a balanced budget for the university?

MR. HANUSCHAK: If the honourable member would read the Universities Grants Commission Act to refresh his own memory, he would find that it is the Grants Commission that deals individually with each university, and then it presents its request in total for all universities to government, and not on a university by university basis.

MR. AXWORTHY: A supplementary, Mr. Speaker. In accordance with the fact that the Minister reports to this House for the University Grants Commission, can he indicate whether the University Grants Commission has changed the written conditions that were stated at the February 27th meeting to the Board of Governors of the University of Manitoba requiring a balanced budget? Can he report if there has been any changes in those conditions that were set forward at that time?

ORAL QUESTIONS

MR. HANUSCHAK: No. Mr. Speaker, I cannot at this point in time.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I'd like to address a question to the Honourable the First Minister. In view of the published opposition to the Disclosure of Assets Bill by the Minister of Mines, could the First Minister inform the House if he will be considering a free vote on this bill?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): No, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Labour.

ORDERS OF THE DAY - GOVERNMENT BILLS -
BILL NO. 29 - THE PAYMENT OF WAGES ACT

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, I wonder if you would call the Second Readings commencing with Bill No. 29.

MR. SPEAKER: Thank you. Bill No. 29, proposed by the Honourable Minister of Labour. The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, I want to say a few words on this bill, and I want to acknowledge at the outset that the Minister who is piloting the bill through the House has been indulgent in permitting me to stand the bill for a few days this week up to this point in time. I thank him for that. I'm sure he acknowledges that we needed some time this week to look the contents of the bill over and seek advice on it, and that was the reason for the delay up to this point. I am now prepared to outline our position on the bill, and perhaps we can move forward on this legislation from there.

I want to say at the outset, Mr. Speaker, that we accept the principle of this bill without reservation. And so you might say to me, sir, that anything I say beyond this point is out of order, because we're dealing here with the principle of the bill and I acknowledge that we do accept the principle without reservation. The principle of the bill being the protection of workers, the protection of employees who may have been or consider themselves to have been disadvantaged, or to a certain extent injured by dealings with their employers where their wages were concerned; this bill offers remedial action and protection in that area, and so from that point of view certainly deserves the support on balance of this House.

But I want to go on from there to say in just a few moments, Mr. Speaker, that we have some reservations about the legislation as it's presently worded, and we would hope that the Minister will take those reservations into account in dealing with it on the subsequent stages of procedure through the House.

The aspect of the liability of directors, although no doubt well meaning, does create some difficulties, we believe, for certain persons who would fall into the directorship category. I think that the measure in the legislation having to do with the liability of directors imposes a rather severe and perhaps inequitable burden on certain persons engaged at the directorship level of certain small businesses. I think that it's important to stress here that we're concerned mainly with small businesses and small employers in the province, the large ones can generally take care of themselves.

The Companies Act, which is another statute under which we all live and breathe and operate in this province, recognizes that many small companies in order to achieve corporate status, in order to meet the legal requirements of incorporating, appoint certain officers who really act in a rather nominal capacity - certain officers and directors who really act in a rather nominal capacity, sir, rather than in a beneficial capacity. And I'm thinking here of small companies, small enterprises in whose cases very often the wife of the proprietor is appointed as a secretary and thereby an officer and a director; or even in some cases, sir, other employees of the company are appointed as directors in order to fulfill the legal requirements necessary for that enterprise to incorporate.

Now the Companies Act recognizes that that kind of thing transpires, and as a consequence, there are many exclusions of responsibility and liability applied to directors of that sort of capacity under that legislation, under the Companies Act. And it seems to me on review of the legislation before us, sir, that there's an inconsistency here where the Payment of Wages Act proposed is concerned. The legislation before us does not seem to be consistent, sir, with other legislation of that kind, such as the statute I've just mentioned, because there are no exclusions - at least I can determine the presence of no such exclusions or no such

BILL 29

(MR. SHERMAN cont'd)special considerations in this legislation, unless there's something there that I've completely missed. And it seems to me that the government would be performing a service that was not only consistent with legislation in this area - that it is already living with, and all of us are already living with - but would be consistent with any kind of professed interest in the development and the assistance of the economy in this province, based as it is on small employers and small enterprises, if it would take into account the fact that the directors of the kind that I've mentioned are being asked to shoulder an unfair burden of liability and responsibility under the liability section in the legislation proposed before us right now.

The bill asks and stipulates that directors shall be responsible for those unpaid wages that are deemed legitimately owing employers of an enterprise when a case of this kind arises. And I wonder whether in the small enterprise to which I've referred, which constitutes a very substantial portion of the economy with which we live here, whether the employee who's been made a director or whether the proprietor's wife who's been made a director, in order that that company can incorporate and proceed legally to do the things that it wants to do in the corporate field, whether persons of that kind should be asked to shoulder this kind of a responsibility. If the Minister and the government were to say to me that, "Well this is the way we live under all the statutes of this jurisdiction," I still wouldn't agree with it, but I would at least be able to satisfy myself that there was a consistency here with a principle that is already in existence, whether I liked the principle or not. But I have a double objection when I say that I find the principle hard to live with, and when I also point out to you, sir, that the consistency to which I refer does not appear to exist in this case. So I would ask the Minister and his colleagues if they would re-examine the proposed legislation in that area in particular, and see whether or not the kinds of exclusions that are built into the Companies Act could not be built into this proposed legislation too, and thus remove from the nominal kind of director, the director with no real beneficial interest, the burden, the liability, the responsibility that is imposed on him by the legislation before us.

There are one or two other aspects of the bill that I would like to ask the Minister about, and hope that in subsequent debate from other members, or in closing debate himself on the legislation, the Minister might be able to clarify. There is a part of the bill, sir - and I realize I can't refer to specific sections - but the bill does provide for the division which is being created here under this legislation, to file an order when there is action deemed desirable or legitimate in the case of an unpaid wages claim. And I wonder why the employee who feels himself or herself compromised or disadvantaged or injured, why that employee can't file the order, why the order has to go through the division. It seems to me that there is an imposition of a bureaucratic layer of administration and authority there that really brings a third party into the dispute, and perhaps could create a situation that works to the disadvantage of the employee himself or herself. Why can't that employee file the order? Why must it be the division that does so?

Further to that, sir, I find myself asking why throughout the legislation the term 'board', the word 'board' has been replaced by the term 'division'. And I ask the Minister whether this represents a kind of a change in procedure which would put this whole area of dispute and this whole area of jurisdiction into administrative hands rather than quasi judicial hands. At the present time the kinds of disputes, the kinds of difficulties that we're concerned with here under the legislation as it exists at the moment, is really in the quasi judicial field, because the procedures, the disputes, the claims are processed through a board which operates in a quasi judicial capacity. If we move to the concept of a division rather than a board, my question to the Minister and the government is this: Does this not change the procedure into an administrative procedure, which allows politicians and bureaucrats to handle these processes and these claims and to rule supreme in this field, rather than having people of a quasi judicial capacity operate at the level of authority?

There is a measure in the legislation before us, sir, which suggests that a regulation determined and developed by the political authority in the province can ultimately under this Act take precedence over statutes, take precedence over the legislation as it exists in statute form. And hence a further question arises in my mind as to whether this is acting in the best sense of propriety where a democratic government and democratic responsibility is involved. Is it in the best interests of Manitobans to have legislation passed that permits regulations to

BILL 29

(MR. SHERMAN cont'd) take precedence over Acts of the Legislature? And if you examine this legislation, Mr. Speaker, you will see that there is a provision in it that proposes precisely that.

There are some considerable sections in the old Act that are deleted in the proposed new Act before us, and one of them pertains in particular, Mr. Speaker, to the posting of a bond by the employer towards the payment of unpaid wages. And if I may just for the moment, sir, remind you that the Act as it's presently constituted provides that where the board now existing applies the proceeds of a bond toward the payment of unpaid wages, it shall in writing as soon as possible notify the employer to that effect. The employer must be notified in writing as quickly as possible to the effect that the proceeds of that bond have been applied by the board towards the unpaid wages claimed. I can't see in the new legislation that there is any provision for that kind of a procedure, or that kind of action, and I would suggest, sir, that it's a valid question to ask why the provision in that area does not exist in some form or other in the new legislation. It doesn't seem to be there. There's nothing in the Act, as I read it, that spells out how that situation will be handled in the future under the new legislation.

Sir, the legislation extends the limitation on prosecutions to 12 months from 6 months, and I want to say that I agree with that, and I believe my colleagues agree with that and support that concept. It makes it consistent with other legislation in this area, we don't quarrel with the extension of that period.

There are a number of provisions in the Act which effectively provide protection for the employee against action on the part of the employer that works to the disadvantage of the employee in the area of wages, and we support and endorse those. But I repeat, on the basis of what I have suggested in the few minutes preceding, sir, that there are areas of the legislation which we think are liable to prove to be inequitable and onerous beyond a reasonable point for certain individuals, certain Manitobans engaged in business, and we would hope that those could be corrected and modified and amended in the further stages of passage of this legislation through the House.

Finally, Mr. Speaker, I would like to note for the record, that the Crown in Manitoba is bound by this Act under the wording of the legislation, which is extremely gratifying and interesting. I would suggest that all of us on this side will watch with great interest the kinds of responses that will be forthcoming from the government with respect to its own employees in the future should claims of this nature be lodged by government employees against the Crown, against the government. We would hope that because the legislation lays down very clearly the fact that the Crown is bound by it, that this government will be ready to respond very judiciously very conscientiously, to those claims that its own employees may enter against it.

With those reservations, sir, I would repeat for the benefit of the Minister that, in principle, I think that he has introduced a piece of legislation here that most Manitobans can subscribe to with good conscience.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Thank you, Mr. Speaker. I too wish to make my contribution on this bill, the Wages Bill, which is aimed to protect workers. And I wish to say at this time, that I support the principle of the bill and I support the bill. In fact, I believe during the debates on the Throne Speech this session, I chastised the Minister that nothing has come from the Minister in the last five years in respect to the payment of wages to workers when there's a bankruptcy involved. And all we have to do is just realize what happens when there is a bankruptcy, when a general contractor goes broke or runs out of funds. At the same time, quite invariably, he probably puts about another dozen or ten small contractors who are also sub-trades - he puts them into, in most cases or in many cases, into a bankruptcy situation. So if you take in totality construction that probably will build a small apartment or a large apartment, it may involve many many workers - it may involve two hundred workers. And if this happens, if the general contractor goes bankrupt, is declared bankrupt, he pulls many of the sub-trades down and as a result the workers don't get paid and they lose wages. This has been brought to my attention many many times. I know it hasn't been as prevalent in the last two years as perhaps it was maybe five years ago when we had many many more builders and the construction industry, I believe, was much more active on a smaller scale than it is today - I mean building many smaller projects, except today you have a few large ones.

So we really did have problems and there was no recourse for the wage earner, no

BILL 29

(MR. PATRICK cont'd)recourse to collect, and the most important principle in this bill - and I believe that perhaps the most important principle that the Minister would accomplish with this one principle in the bill is to have wages, have prior claims to any other lien-holders, be it secured lien-holders which is registered mortgages and other lien-holders, and in this case, you're making - the way I understand the bill - making wages prior claim to anyone else. I think this is the biggest principle in the bill because that will solve, I would say, almost all of the problems or the majority of the problems that we have, just by this one, this one principle in the bill, by making wages have prior call on any other lien-holders. I'd say it's a very important principle and it's a good one.

There is another principle in the bill that I support and I hope that the Minister will give real serious consideration because I think there will be still some builders in some isolated areas or in some small places who are not perhaps big builders - you incorporate with very limited capital - and it doesn't matter what . . . so we can say, well, we'll resort to have the directors responsible, and sometimes you may not be able to collect from any directors because they won't have any money. So the other most important principle in this bill is to establish the payment of wages fund and I would hope that the Minister will give serious consideration to this and give some thought, because I think this probably in itself, the two principles involved will correct many of the wrongs that we've been having in the last several years, and I believe for many years perhaps. So if the Minister in closing the debate can give us some more indication what he intends to do in the area of payment of wages fund, because the bill indicated that the Minister "may" establish, but it doesn't say that he will or how it's going to function or how it will work and how we'll get any funds to put into the payment of wages fund. So I would hope that he will really activate that portion of the bill and put it in effect.

The other point that certainly is interesting, and I know that the Minister and the bill indicates, and the Minister indicated in the House introducing the legislation, that will also apply to the Crown corporations and the Crown as well and I'd say that there shouldn't be any fear there because in most cases people working for any Crown agency do get paid. But I see no reason why it shouldn't be spelled out, and the bill does spell out that this does include, and also it includes the professional workers, the farm labourers and everyone else, so I think it's a progressive step in doing that.

Mr. Speaker, I do question a couple of points in the bill and that is, the Minister said he can request any small contractor or builder to get a security bond and I think there's nothing wrong with that, but in some cases I believe some people may not be able to get a bond because it's getting more and more difficult nowadays if you haven't got sufficient backing and sufficient collateral to get a bond, be it a bid bond or security bond that will protect wages, unless it will be on some limited scale, but I think that he may be putting some of the small people in a bind if the scope would more on a security bond. I would like to see the Minister perhaps expand the payment of wages fund and the first, most important principle is having wages prior claim over all other lien-holders. I think that will probably correct many of the wrongs and that's, to me, the most important and major piece of legislation.

The other principle involved is the Attorney-General can act on behalf of the employees who are unable to collect wages, and I think it's one of the finest, it's a good principle and I've tried the Minister to do the same thing in respect to the Workmen's Compensation claims and collections because many people have difficulty to even appear before the board because of their limited, perhaps, education and some people are not inclined to be able to argue with boards and so on. I know much of the difficulties that we've had in respect to Workmen's Compensation, if we would have had some assistance offered to the people that are aggrieved, I'm sure would have been assistance to them and it would have helped them. In this case, somehow the Minister sees the principle and he accepted that principle under this piece of legislation and he does offer assistance to the worker who is unable to collect and I think it's a good principle because the worker may not have received wages for perhaps a month or so and to lay out further expenditures for legal costs, it's just too big a burden for him. So I accept that and I think it's a good principle

The point that I, to some extent, question and I can't see in my own mind how it'll work, is to have directors personally liable - I think it's something different in a corporate structure than we've had to the present time, I think it's a completely different thing and something that

BILL 29

(MR. PATRICK cont'd)most directors are not used to and something that they'll have to be prepared to accept when anyone accepts to sit as a director in any corporation, because at the present time there's many directors that have no interest in any, or in many companies, but sit as a director for advice to that small company or corporation. Perhaps they get maybe per diem expenses, that's all. So what we will do, and I believe that some of the 2,000 or 1,800 small corporations we have in this province that are still the backbone of our industrial structure, it may be a burden to some of them if we will tell them, look, you cannot put anyone as a director because now you may be liable for any actions of this corporation and nobody foresees what can happen, what financial difficulties any small industry firm can run into, and many of them do.

So I think that we may, by this piece of legislation, remove some of the able people to sit on small companies and small corporations that would be able to give good advice because of this clause and they'll find out that they will be liable for their actions, liable personally - and again, I wish to ask the Minister, are they liable to the extent that they have investments in that corporation, to the amount of investments, or are they liable personally for the two months of all the workers that's employed in any industry. You know, there's something that the Minister can explain. I don't know if he got the gist of my question. My question is, are they liable to the extent of their investment in the company or are they liable, even if they have no investment in the corporation, they're liable for wages for two months as long as they are a director - for all the employees' wages up to two months?

If you got 40, 50 employees this may amount to a considerable amount of money if you have three people in a small corporation. So I believe that it's something new as far as the corporate structure that we've had before and I know that there are many people sitting on small companies as directors who have no interest in them but they're sitting on there giving good advice to the small companies. So that's something that I hope is well thought out. I believe it's the same piece of legislation that's included, I believe, in the federal legislation, I'm not sure, I'm sure the Minister has some communication with the Federal Minister to see how it will work and perhaps he can give us some information how it will work in the Province of Manitoba.

So, Mr. Speaker, I do support the legislation, I think it's a good piece of legislation, something that we've debated on the labour estimates for many years now and in fact, I didn't even know the Minister was going to bring this because when I mentioned in the Throne Speech debate I chastised the Minister for not doing anything in this area. And here we got a bill in the final stages and I'd say there are some very good principles of prior claims and payment of wages fund in which I would be most interested and hope that the Minister would implement. The question I do have is, to what extent the directors are liable, even though they have investments or have had no investments in the corporation, to what extent and how does he foresee it will work and is there any other practice that we can go by in any other provinces and what is his information from the federal legislation?

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 16 adults from an adult education group from the Red River Community College Extension Course, under the direction of Mr. Walmsley, Mrs. Bird and Mrs. McLaughlin. This group is from the constituency of the Honourable Member for Portage la Prairie.

We welcome you here this afternoon.

BILL NO. 29 - THE PAYMENT OF WAGES ACT (cont'd)

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Labour shall be closing debate.

MR. PAULLEY: Mr. Speaker, may I express appreciation to the two honourable members who have taken part in this debate and their indication of support of the general principle involved in the bill. I'm particularly pleased to hear from the Honourable Member for Assiniboia an acknowledgment that sometimes something substantive comes from this quarter of the Assembly and I appreciate that very much.

He raised the question about whether this is something new. It is, of course, Mr. Speaker,

BILL 29

(MR. PAULLEY cont'd) . . . something new for Manitoba, the approach that's suggested within the bill. It's not something new really though, as I indicated when I introduced the bill that I had had discussions with my fellow Ministers of Labour dealing with this whole question. My honourable friend, the Member for Assiniboia, mentioned the proposed federal legislation which contains the clause dealing with the Director liability. That is a clause in a similar piece of legislation that I understand is in effect in British Columbia at the present time.

The honourable member and indeed, so did the Honourable Member for Fort Garry, raised the question as to the financial ability of directors of small companies and the likes of that. That's something I would be pleased to have a discussion on when we go into committee. The Member for Fort Garry made reference to the Companies Act and certain provisions of limitations in that Act, and it could conceivably be that consideration should be given to something within this Act.

Mr. Speaker, members will possibly recall that when I introduced the bill I did indicate that there was a considerable amount of differences of opinion, particularly within the legal fraternity, as to certain aspects of implication of the passing of this particular bill. And then I indicated that it would not be our intention to proclaim the bill, or at least we'd await decisions being made by the department at Ottawa before finally coming to the conclusion.

The Honourable Member for Assiniboia mentions the question of the obtaining of bonds and indicating that it might hurt some small contractor in obtaining a bond. Well may I say quite frankly to my honourable friend, that is one of the principles as I see it where we require, where we require security somehow for the payment of wages from the employer. Because in my time, Mr. Speaker, I have seen many small contracting firms, which I call fly-by-night operators, who set up, perform work, and don't pay wages; and if they repeat under our present legislation we can require bonds to be secured. So I don't think it really matters, Mr. Speaker, be they large or small, the whole principle behind the bill is to secure the payment of wages to the worker.

Now my honourable friend from Assiniboia also mentions the question of the establishing of a fund from which interim payment, but to use that term in its broad sense, could be made to the employee concerned. And he said that he hoped that this would be done. I only want to indicate, Mr. Speaker, that the reason that it is in the legislation being proposed is that it is my hope that it will be done. When I say my hope, I don't mean personally particularly, but the fund should be established and it was deemed advisable when the bill was being drafted to use the terminology may establish rather than shall establish so that a little more licence may be given to the administration to setting up the fund. But as far as I'm personally concerned, Mr. Speaker, I want to assure the House it would be my desire that such be implemented as referred to by my honourable friend.

The Honourable Member for Fort Garry asked the reasons why the division rather than the board, whether this would increase bureaucratic authority. Actually, as I understand it, Mr. Speaker, the reason for that is that the division, and not the board, has the personnel in the Employment Standards Division section that can go in or do go in and inspect payrolls and proper payment of wages to establish whether or not the employee, in effect, did earn the money, and then from then on to the board. So it's really not for any reason of added bureaucracy but to try and streamline the operation so that we have an indication, or the division has an indication that money is properly due to an employee.

I did indicate, Mr. Speaker, when the bill was being introduced that I anticipated that there may be amendments offered and suggested at the committee stage. That offer still holds. And I might say, just in passing, I've already had communication with some legal counsel and some of the staff of the Legislative Counsel's department of certain changes that are desirous either of a tidying up nature or after consultations that they have had with other solicitors, many of them in the service of the general public, I might say, on the ramifications of this bill. And I think that this is really, my friend from Assiniboia hit it on the head when he said that this is something new. It's something new for Manitoba. For instance, there are certain provisions, as I understand it, in the Real Property Act that might be affected by the general overall provision in this, that this Act takes precedent over other acts in certain respects. I would just simply suggest that because something has been going on for 30 or 40 years, or generations ago, and changes made in 1975, it doesn't mean, at least in my opinion, that we should hold entirely to the traditional, to use that word, but we sometimes have to change our thinking in procedures that have become firmly established.

BILL 29

(MR. PAULLEY cont'd)

So I say to my colleagues in the Assembly, Mr. Speaker, the indications are that we agree on the general principle of the bill, I as the sponsor of the bill am prepared to hear representations along with my colleagues in committee and also, of course, prepared to receive suggested amendments from members of the committee as well. Of course, I cannot promise that any suggested amendments would be approved by the committee but I'm sure that they will be given serious consideration, and as I indicated, the procedure will be that we will not advance the bill until we've had an opportunity of considering the representations that are made in respect to (c)(60) at the House of Commons. So with those few remarks I say thank you.

QUESTION put MOTION carried.

BILL NO. 44 - THE PLANNING ACT

MR. SPEAKER: Bill No. 44, the Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Thank you, Mr. Speaker, I'd like to make a few comments on this particular bill.

Mr. Speaker, at the outset I would like to say that we cannot support the bill in its present form, or its principles and objectives that it appears to be heading towards. While we support an overall plan for the land use in our province, we cannot support a bill that will give this complete control and role to the government and its cabinet. And if we have interpreted the principles put forward in the bill, this is what we believe will happen. And particularly if one looks at that principle where the Minister or the Cabinet can set up special planning areas or district plans, this principle that the Cabinet or the Minister will have the determining factor on what will go where in our province, and have the final say. I find it difficult, Mr. Speaker, at this time to understand what the role of the MLA would play in this particular planning stage, because the way the bill is written, it is asking for this Legislature to give approval for the government to develop the land use policies in our province. I'm somewhat bewildered in understanding what the role of the committee that we set up last year - the Land Use and Ownership Committee that went out and had hearings - what role or what charade was that particular committee playing, because now we have before us the proposal that with this bill the Minister will have the power to establish the land use policies of our province and to determine special planning areas and so forth.

The other reason, Mr. Speaker, why I find it difficult to support is that, as you know and I'm sure that members of this Legislature know, I have often spoken on my feelings with regard to the importance of municipal government in the operation of our province, and if we pass this bill, it is our opinion that they will not have the say that I believe they should have in the planning of their areas. It is obvious that the Minister still has the final say, the Cabinet still has the final say on what in fact constitutes a planning district and what in fact will constitute the development plan within a district.

Mr. Speaker, other areas that we have concern about is that when the Cabinet or the Minister makes a decision to set up a district plan, or a district planning area, or a special planning area, what effect will that have on land values? And if I can amplify this, or explain it further, I'm thinking if we looked at the map of Manitoba and the Minister, with advice from his committee that he may set up - and it's not mandatory that he has to set up this particular committee which will advise him in Cabinet, planning committee - that should they suggest that the southeast corner of our province become a recreational area, that there'd be no major development of industry etc., then they looked to the north and said, thinking in planning terms, that we have No. 1 highway there, a good transportation route that has to be protected and made use of because it's in the Act, this principle that they can set up a special area to preserve transportation areas and corridors, etc., that they might also suggest that well, this has a good transportation link, it's only about eight miles from the aqueduct, possibly this should be a good site for a townsite, then what would happen to the value of the land within that special planning area? It would be escalated, whereas the land area to the south that was dedicated to recreational area will obviously go down in value in all likelihood.

So then the question of economic rent comes up, that will there be a tax imposed on the enhanced value of this land because of the decision of the government to make this a special area for a townsite? And what kind of compensation will there be for the other areas where the

BILL 44

(MR. MINAKER cont'd) government decides that there will be no development. So these are features that as we see it now rests in the hands of the Minister and his Cabinet, the way the Act is written, and they can make the final decision on this. And as an MLA I'm - I guess to some degree with regards to this bill I feel I represent St. James but I also represent the feelings and the people of Manitoba like the rest of the members in this Legislature - I would wonder if I was a rural member where there was three district plans set up say in an area which overlapped into the constituency that I respresented, that how that particular MLA would have any particular vehicle to make known to the Minister or the Cabinet the feelings of the people that he represents. And I could see problems where in one area you might set up a planning district and want to locate recreational facilities and so forth and in another area say no you can't have secondary industry in there it's a different type of planning area or development plan. That it would be very difficult I would think for these members who represent the constituency that might contain two or more planning districts. And it's my understanding there's no vehicle here for that member to discuss the land use policies or the planning. It would be given to the Lieutenant-Governor-in-Council and the Minister if this Act is approved.

The other area of concern which has been previously mentioned is the land freeze. When I was on City Council of St. James I had the opportunity of chairing an urban renewal committee for three years where we were trying to put in urban renewal in the Town of Brooklands, or the section formerly known as the Town of Brooklands. We appreciated the difficulty of making sure that the people in the area were educated and informed of what proposals were being put forward, and I would think the same type of education will be required in this proposed plan and bill.

We also found out that it resulted in a year freeze of any development within that area, and if we understand that the bill that's before us you could have as much as a two year land freeze, because I believe there's a principle in the bill that says the Minister can order a district that he assigns to develop the development plan and they have to do so within a two-year period. In another section in the Act, or principle in the Act, there is the feature that any development within a district plan that doesn't have a development plan can be halted. So there's this concern that we may be in certain districts of our province freezing any development for within the next two years or even longer, because there obviously will be a transitional period when this planning stage will be developed.

There's one other section that I'm very concerned about, because we had to some degree a little bit of experience with it when I sat on City of Winnipeg Council, and that would be whether or not the government or its facilities would be immune to any zoning by-laws or plans. And I make particular reference to the experience we had with regards to the Woods-worth Building and also the facility which is now known as Doern's Bunker. That at one point in negotiations between the Provincial Government and the City of Winnipeg there was a threat that they wouldn't have to abide by the zoning by-laws and they would just proceed. Well lo and behold the principle is in this Act, Mr. Speaker, that if the Minister feels fit to amend a development plan he can so advise the local district planning board and that they shall amend the development plan. So one would wonder if that has been inserted, that principle, so that if there is a district plan where it's not zoned properly for a public works garage or an office building or whatever, that the government can override any district plans set up and just order the change. I would think that would be very wrong and incorrect to allow this to happen.

The other area, Mr. Speaker, is the fact that there really is three-tier government here, not two-tier government. One of my colleagues indicated that there was two-tier government being introduced, but when you look at the step by step procedure of a plan development, not only a municipality has to go to the district planning board but the district planning board has to go to the Minister for approval and the Minister then checks and advises back and says whether there's to be any amendments or not. So that in actual fact you have the municipalities, you have the district planning board and then you have the Minister and the Cabinet. So we are now dealing with three levels of government in a development of a plan for a district; and also for amendments to a plan within a district. The overseeing power is still there for the Minister to advise that district board that he would like an amendment to that plan, if I have interpreted what we are presently looking at.

The other areas of our concern is that there is obviously going to be a duplication of administration, and we appreciate that probably this cannot be overcome, but it almost looks

BILL 44

(MR. MINAKER cont'd)like there'll be a triplicate, or triplication, I guess, if that's a correct word, of administration when you get the three-tier government involved in this decision-making.

Mr. Speaker, the other concern we have is with the variation of boundaries - that they can be dissolved and new boundaries and new districts can be incorporated. The question of liabilities and assets and the disbursements of those assets concern me, because we have personally experienced the situation which occurred when the Unicity Bill was brought in - and that basically is an overall development plan that there was a decision of the government or administration to incorporate into one big city. And as everyone knows that cost St. James-Assiniboia some \$10 million in lost assets. So that there again in this particular Act it's very ambiguous on what happens to the assets when there is dissolution of a planning district or changes in boundaries, who picks up the liabilities and so forth. It's all very nebulous in this particular section of the Act. So that we question the advisability of having it so very ambiguous just who will be responsible for debts and who will be responsible of getting assets and the disbursement of the assets.

The other area which my honourable colleague from La Verendrye indicated was the membership of the district planning boards. It appears that there might be just one member of each municipality. I hope this is wrong, because when you deal with the day-to-day liabilities of the district planning board it said it will be proportional to the assessment of the district plan in the area you're dealing with; then you go further on in the Act and it deals with a majority vote on a by-law. I would be concerned if you had representation simply by one councillor from each municipality and you have a different proportion of population in each municipality, or councillor representation in the day-to-day operation of that municipality. Then what you define as a majority vote of the district planning board to pass a by-law, in actual fact would not represent a majority vote of the representation of the different municipalities. So I hope that the Minister will look very careful in that particular area in principle so that we do get an actual majority vote when the planning board makes a decision in a vote on a development plan or a by-law, whatever they are dealing with.

The other question that we raise is with regard to the sharing of costs of developing a development plan in a district, particularly when the Minister may order and may assign a district plan or a district group and a district board and say okay you have to develop a plan. It's not clear who will share in the cost of having this plan developed, it's not mandatory the way it is at the present time, it just says "may". And further, we would hope that when you're dealing with hearings at a district board level, public hearings relating to zoning changes or amendments to the development plan, that they will be a quasi judicial type hearing similar to what the City of Winnipeg Act presently has when they deal with hearings regarding zoning changes and variations at the local level. It is not indicated in the Act at the present time whether this in fact would take place.

The other area is with regard to the financing and liabilities of the district planning boards, because there is a section in the Act that deals with the acquisition and disposal of land and there is no mention of the financing or the liabilities and how they will be able to achieve this.

The other area is how and if there are conflicts of existing by-laws in municipalities, that there may be some certain bylaws in municipalities relating to zoning and planning, that if the district planning board is established and they pass a plan and there is confliction in the old by-laws, how this will be handled. I know with the amalgamation of the cities and City of Winnipeg that was at times a problem which I think was covered in the Act on how to handle it, but in reading the Act once I don't believe I ran across, or if I did, I've missed it, how this would be handled.

Mr. Speaker, it's impossible for us to support the bill in its present form as we indicated earlier, because we have no idea of the land use policy of the government at this time. We're being asked to approve a bill that will allow the government to establish its land use policies. We have no idea what they are at this time. We also are asked to give this decision, and the ultimate decision of any amendments, that anything that the local governments or planning boards may come up with as suggestion, the ultimate decision and power to amend is with the Minister and his Cabinet. We cannot support that because of our belief of the importance of municipalities having some say and taking part in this. And not just having a say, but having the rules that they can make the decision.

BILL 44

(MR. MINAKER cont'd)

So Mr. Speaker, with those comments we cannot, as I indicated earlier, support this particular bill at this time in the form that it's laid out.

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

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

MOTION presented and carried.

MR. SPEAKER: Bill No. 47- the Honourable Member for Rock Lake.

BILL NO. 47 - AN ACT TO AMEND THE SOCIAL ALLOWANCES ACT

MR. HENRY J. EINARSON (Rock Lake): Thank you, Mr. Speaker. In dealing with Bill 47 I want to make a few comments in regard to the amendment to the Special Allowances Act and indicate to the Minister - I do not see him in his seat here this afternoon. I was away myself and I understand the Minister of Urban Affairs is acting this afternoon.

Mr. Speaker, having perused this bill as we see it here, there are amendments to the Social Allowance Services Administration Act which were proclaimed in 1974, and I think that the amendments that the Minister gave to us last week were of the nature of sort of tidying up I think to go along with more in the way of the thinking of those of us on this side of the House. I know I for one have been critical of this government in the way they have probably handled moneys when it comes to paying out welfare assistance to people who may be in need and sometimes it's gone to those probably who were not really in need because the proper investigations were not made or the way in which the system has been operating under this government, and we have been critical particularly - I know I've had a number of cases myself where individuals through the municipality have been offered jobs to work, very capable and able, no problem insofar as being able to work, but thought that because of the fact that it was so easy to get, if they couldn't get unemployment insurance they could go on welfare. And this is a common phrase that some people would use. It's not only common practice, Mr. Speaker, I want this to be understood.

So when you found you were up against situations like this, those individuals also were aware that they could appeal their case if they were turned down at the municipal level. And in too many cases I think of those my colleagues and I have found on this side of the House, those appeals were granted. And having listened to both sides of the stories we have found that the government probably was too lenient insofar as granting welfare assistance to - whether they were able-bodied people who were adults. And also when we talk about making assistance to parents, sometimes it's an unmarried person, say, who has two children or more, they can apply for assistance and that will be granted. But if it is found, as I understand the present law as it reads, if that person who has two children is an unmarried woman and a friend moves in with her, as I understand the law, that the assistance is automatically cut off.

But there is one section of this Act, Mr. Speaker, the Minister, whether it was done purposely or not I don't know, he made no comment, about common-law relationships. And while I understand in the Act as it now stands the resources of both those people are taken into account if an application is made for welfare for children of themselves, that now, as I understand it, the government is now taking the stand that if two people have been living common-law for a year, two years or more, they are considered man and wife. I don't know, Mr. Speaker, I don't understand the situation of the government as far as this is concerned, because the Minister gave us no indication or no explanation as to what this meant in this particular amendment to this Act, and I would like to hear from the Minister as to just what they mean by that. It would appear to me that there might be more permissiveness in this area. While I agree with the tidying up that they're doing in the other sections or amendments that they've made, I think this is a step in the right direction - but I'm wondering, with the Section 5, I believe it is - you can't refer to particular sections of the bill, Mr. Speaker - but I think there's an area there which I would like to have explained as to why that was amended in this way. Is it going to make a difference in the way the old Act reads insofar as responsibility is concerned? Is it going to be easier for unwedded mothers, for example, to get assistance for children? I'm just wondering - I mean, these are things - and I'm sure that society must be concerned, the citizens of this province must be concerned

BILL 47

(MR. EINARSON cont'd) insofar as this part of the Act is concerned.

Other than that, Mr. Speaker, I think that I don't have any opposition to the amendments that were made. I believe that it is a step in the right direction. And with that proviso, Mr. Speaker, having heard the explanation from the Minister as to that one particular part of the Act which was not explained by the Minister of Health last week when it was introduced in second reading, we will accept it.

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

MR. GRAHAM: Thank you, Mr. Speaker. There are one or two comments that I would like to make at this time regarding these amendments, Mr. Speaker, that have always created a certain amount of doubt in my mind as to the method in which they would work and how the government would make decisions. And I want to refer to a section that my colleague, the Member for Rock Lake, has raised, and that is dealing with a common-law relationship. I'd like to ask the Acting Minister if he can tell me how the government intends to establish a common-law relationship. It has been brought to my mind, sir, that there is a remarkable reluctance on the part of many people to agree that they are living under a common-law relationship when it comes to a matter of receiving assistance from the government, and I was just wondering if the Minister was intending to have evidence supplied by neighbours - and if that was the case, just how much they were willing to pay for evidence, if that was the intent of government. It seems to me, sir, that the present definition of common-law relationship would be a very difficult one to establish unless there was free admission by the persons involved that they were, in fact, living common-law. If the Minister could give us some of the guidelines that his department is intending to use in attempting to establish that relationship, then I think it is only fair that all members of the House and the members of the public should know what they intend to be using for guidelines in attempting to establish that relationship.

And then, sir, the second point I wanted to bring out was - I think something that we have seen developing over the last three or four years on the part of government in the various changes they have made in statutes - and that's dealing with punitive clauses in legislation. And I think if you go back over the last four or five years and study the changes that have been made in the various statutes, you've found an increasing importance being placed by this government on punitive clauses. And we find again, in this amendment, that there are several sections, sir, relating to punitive clauses, and particularly as they affect government. Because in this particular case, all of the punitive clauses are basically attempts by government to correct wrongdoing, and to return to the consolidated revenue, moneys that were unjustly distributed. And, sir, I think that, in itself, is a very commendable procedure. But in this case, as far as I can find, sir, all of the punitive clauses relate to wrongdoing on the part of the recipient. And, sir, each and every one of us knows that maybe the recipient of social assistance in one form or another has done nothing wrong, has in fact filled out all the forms that have been provided to them by social workers, and filled them out in good conscience as directed - only to find that, later on, maybe the social worker erred, and the person is now faced with a severe penalty, they have to reimburse the Provincial Treasury - and in many cases, it causes great financial hardship to them, when they, in their own knowledge, have committed no wrongdoing.

Sir, in many of the remoter areas, where advice is limited, I believe that some people, anyway, will follow sincerely the advice given to them by almost anyone, including a social worker or someone who has come to attempt to assist them. And if that error is the error of a third party, then the method of recovery that is spelled out under the amendments that are proposed here, can be quite severe. Because I believe, sir, there's one place where it says the court cannot take into consideration at all whether the error was a justified one or not, but the court shall order restitution to the consolidated treasury. It leaves the court with no discretionary powers at all, sir. And I don't know if we in today's society want to head in that direction, where we limit the activities of our court by restrictive forms of measures which take away the discretionary powers of the court. I know I am one that has for many, the past several years anyway, been quite concerned about what I think is the gradual erosion of the discretionary powers of the court. I have always felt that under our British system of justice, our courts are the shining example of fairness to one and all, and if that is indeed the case, then they should have wide discretionary powers, rather than very narrow.

BILL 47

(MR. GRAHAM cont'd)

There is a further aspect, sir, that concerns me somewhat, dealing with mortgages. And I would just like to bring to the Minister's attention - probably a hypothetical case, but I suggest to you, sir, that it could indeed be a very real case - where a person could sell a piece of property in good faith to a person who later receives assistance from the province - and in that aspect the province has, I know, in many cases, provided sufficient assistance to the individual to maintain their payments on their property, but at the same time, the province also registers a caveat against that property. And the innocent first victim, the person who has originally accepted a mortgage, and at that time knew the title of the property was clear and has had no direct interest in the property other than the mortgage that he holds - that's his sole security - and if, through some misdemeanors, or maybe even through death, the unpaid balance on the mortgage, when he goes to collect it, he finds that there is registered against that property a caveat imposed by the Provincial Government which could, sir, and I suggest, could far exceed the original indebtedness; and I suggest, sir, that perhaps we should be looking at putting an amendment in here which would limit the amount of caveat that could be registered, where a mortgage is involved, so that the person who had accepted the sale and had taken the mortgage would not end up being indebted for a greater amount than the original amount of the mortgage. And I suggest, sir, that that should be looked at when this bill goes to committee, and I would hope the Minister would consider that quite seriously and probably come forward with some amendments at that time.

Sir, these are one or two of the concerns that I have, and I voice them at this time - which I think is the proper time to do it, on second reading - and when the bill goes to committee, I would hope that we see one or two of the changes come forward that we have suggested and sincerely hope that the Minister will bring forward those amendments.

QUESTION put. MOTION carried.

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MR. SPEAKER: Bill No. 48. The Honourable Member for Morris. Bill No. 37.

BILL NO. 48 - THE DISTRICT HEALTH AND SOCIAL SERVICES ACT

MR. EARL McKELLAR (Souris-Killarney): I guess we got crossed up. I thought the Member for Fort Rouge was going to speak on 48. The Member for Morris adjourned this . . . Well, do you want to go first? Well, anyhow, I want to speak to it right now.

MR. SPEAKER: Bill No. 48?

MR. McKELLAR: Bill 48. I have to be away tomorrow morning, so I . . .

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. GRAHAM: Mr. Speaker, on a point of order. I believe the bill will still stand in the name of the member.

MR. SPEAKER: That's correct.

MR. McKELLAR: Mr. Speaker, I just want to make a very few comments on Bill 48 which, I'm sure, concerns most of the members in this House - for some of the things it does not say, and other things for the things it does say. Because it frightens, literally frightens me. What it does, in my opinion, is it's taking the control away from the Health Services Commission as we have known the Health Services Commission to operate and put it strictly in the hands of the Minister of Health and Social Development and the members of the Cabinet.

Now, we all know how hospitals have operated in the past in rural areas. In most cases, they have two boards - one owning the building and the assets, and the other one operating the hospital as a tenant - and what this bill does, is convert it to one board. Not only does it do that - it converts also the personal care home in the community, if there is one, and it is in turn operated by the one board. Now, I can't see too much wrong with that, if one board is appointed by the elected people in the municipalities. But what I am afraid of, when I look at the bill, this won't only pertain to one hospital, it might involve a number of hospitals in a given area. And this is what frightens me and frightens the people in my area. Because I can see under this bill, if such a thing happened in my area, where Glenboro, Wawanesa, Baldur, Killarney - the four hospitals in that area - were to be formed into one hospital board, one district, most of us know what would happen when the budget was being distributed. And this is the way I see it. If it's only each hospital is going to be left as a separate district, maybe it won't be so bad; but it relates in this bill, the boundaries must follow municipal boundaries or school division boundaries, not the boundaries of the present hospital district. And it also involves other services which are involved here, listed under (1)(f), and as I look at this list, most of these services are only provided in Brandon in my area. So what's going to happen? Are we going to be part of a big district involving the City of Brandon, which would practically wipe out our little hospital in Wawanesa - ten-bed hospital in Wawanesa? Is this what's in this bill?

It scares me, Mr. Speaker, it literally scares me, the powers the Minister of Health and Social Development has. We all know where he was before he came into this House this last time. He was Chairman of the Health Services Commission. And, with the very stroke of this bill here, he's practically putting the Health Services Commission out of business. He's going to run the Health Services Commission out of Empress - he's going to run it from the Legislative Building here, and tell the people of the hospitals. I read this bill twice, and I think I only found the name Commission mentioned twice in this bill, with very little power. All the powers are delegated to the Minister of Social Development. And I do not think that is right. The Health Services Commission, Mr. Speaker, has served this province well. We formed this during our term of government. It has served the people well. They've been responsible for the administration of all the hospitals in the Province of Manitoba. They're given a budget by the government of the Province of Manitoba and told that they must get by on this particular budget. Well, now this is all changed, everything is in the hands of the Minister. Now he's a pretty busy man, but he's going to be a lot busier after this bill is passed, after I read of all the responsibilities that he's been given here.

Now, Mr. Speaker, what is going to happen? What's going to happen at the Wawanesa Hospital? I'm only using this as one . . . this is my own hospital. What's going to happen if they decide not to be part of a hospital district? What's going to happen? I would imagine if they wanted an increase in the size of the hospital, or applied for a personal care home, they're going to be told that if you're in a hospital district you will have a chance, otherwise you won't. I would imagine this is likely what will happen. If they want other services that are suggested

BILL 48

(MR. McKELLAR cont'd) in this bill, they'll be told that they must be in a hospital district. It doesn't say that, Mr. Speaker, but in a roundabout way I read that. In a roundabout way I read that.

And they have certain options here in the bill, where they can go as far as the community clinic, or they can take a little less if they want it. But one of the reasons why the community clinics didn't become popular, is because the governments couldn't sell it. The governments couldn't sell it. They tried in Saskatchewan, they didn't prove successful. They tried it - I understand there's one out in Gladstone, it's the only one I know of in rural Manitoba. I don't know how it's operating. But the rest of the province has simply not bought that plan. So what does the government do? They bring in through the back door, another bill, District Health and Social Services Act, to try to duplicate the community plan that they had talked about for so long. Now is this the way they go about trying to quieten the doctors down? Eventually what will happen - everybody will be on the government payroll. Everybody will be a member of the civil service, as the bill practically states here. They'll be members of the civil service. They'll be on salary. They'll be told what part of the province they can go to, if they don't like that, they can leave the province. This is the way the bill reads, in my opinion. And I'm literally frightened, literally frightened.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): You're a poor reader. You're a poor reader.

MR. McKELLAR: The Minister says that I might be a poor reader. In 1971, we weren't reading very many things very wrong at that time, with your famous Autopac plan - we read it pretty close to the word. And it's the same thing right here. And how many times are we going to have to, during every session - complete government takeover. And, mind you, they say this isn't government takeover of our hospitals. Look at all the community money that went into the hospitals around the Province of Manitoba. Well, I tell you . . . --(Interjection)-- that's not right. I'll take you to Wawanesa any time you can come, and I'll tell you where that money came from. It was paid for by the people, raised by Memorial Hospital. I tell you, that shows how little that man knows. He shouldn't be talking. And if he wants to speak, I'll sit down. But I tell you you've got a lot to learn. You've got a lot to learn.

You've got a lot to learn when it comes to rural Manitoba. A lot to learn. These services were all put up and provided for by the local people. Look at Boissevain Hospital right now - they're supposed to be getting a new one. Where did they get their hospital? They got it from the Souris Airport back after the war, Second World War, 1945, they moved it down to Boissevain. Killarney's the same. All over these people did, and they raised money to provide these hospitals. They put them up - long before your government ever existed. Long before they ever thought about New Democrats. And I tell you these people are proud of their institutions, sir, proud of them. Some of them have reached their time where they have to be replaced. Sure, it's 20, 30 years - there's nothing wrong with that. Things have to be replaced. But what we get here under Bill 48 - what do we get? I'm a little worried, I'm a little worried - quite a bit worried about what's going to happen after I read the powers of the Minister. Powers of the Minister. He's got to approve of all the boards, he can kick the board out, he can practically do anything with them. If they don't like it, out they go.

Sure it's true that the government have picked up the 20 percent contribution that was originally put up by the local communities. In some cases, it'll work in the favour of some communities; in other ones, they've already accepted that responsibility in good faith and were willing to pay that 20 percent. Now what's going to happen to the deficit? What's going to happen to the deficit? Each district will be given a sum of money to finance it. They can provide the services up to the extent of the amount of money. This is what will happen. But what happens with a year of inflation like we've had the past year, where the government of the day agreed to give the nurses around 40 percent, the doctors over 35 percent, and so on? You can't expect the cleaning staff in the hospital to work for much less, they want the same amount. How long would their budget last in 1975? Not very long. This would be one of the problems that they'll have to face.

What happens if the hospital doesn't join a district? Are they going to still negotiate with the Health Services Commission as they've done in the past for all their budgeting? What's going to happen then? There's going to be a lot of hospitals take a second look at this, a second look at this. And already there's been people going around the province to all the hospitals -

BILL 48

(MR. McKELLAR cont'd) one in Wawanesa a month ago - telling about all the good points in this new change that is going to take place - long before the bill was ever printed - suggesting to them that they should join the hospital district. Well, this might be true. But I tell you, in these small hospitals we all have local doctors who are established, who know the people, and they have an investment in every community - Glenboro, Killarney, Boissevain, Souris, you name it - they've all got investments in their communities. They've done a terrific job for the communities in the past, and they're a little afraid - they're a little afraid of what might take place under Bill 48. Now they say it's permissive. But we've seen what happened before. There's always a little club over your head if you don't go along with the --(Interjection)-- Yes. There's a club over your head. --(Interjection)-- There is. There's a club over your head.

Mr. Speaker, the Minister seems to know all about this. You know, when he was Minister of Health he didn't have half as much to say - and now he's Minister of Urban Affairs - he's become the great knowledge in the hospital problems and the health problems since he moved over that one chair. What a difference a year makes. What a difference a year makes. I hope he learns as much about Urban Affairs, because he's got a lot to answer to all the towns and communities in the Province of Manitoba. And I tell you they're getting their tax notices too. They're getting their tax notices. I hope he doesn't make as big a mess of that one as he . . . Yes.

Mr. Speaker, the deficits that are involved - did I tell you about Glenboro? Glenboro's got 8 mills, I understand, deficit on their hospital this year - 8 mills. That's a lot of tax money to the people in that district. And the Member for Rock Lake will be paying part of it too, because he's in that hospital area. I know, I belong to the Wawanesa, and I don't know what our deficit is, but I understand Glenboro is around 8 mills. What will happen under a district where you're given a lump sum of money by the Minister, not by the Health Services Commission, and told to operate. --(Interjection)-- It doesn't say that, it says the Minister. It doesn't mention the Health Services Commission. You've eliminated them, you've scrapped them, you scrapped them. All they are out there is to pay the bills, that's all; they don't collect any money, they don't make any decisions, all they are is out. I don't know if they've even got a chairman yet.

Mr. Speaker, I wish the Honourable Minister would keep quiet, he'll have his turn to speak when I get finished. He can adjourn the debate or do whatever he wants.

Mr. Speaker, we are afraid of what might happen. We are afraid if we join, what might happen; and we are afraid if we don't join, what might happen. We don't know what a district means. It says: A district might be a municipality, a combination of municipalities; it could be the same as a school division, it could be many things. This involves a large area in rural Manitoba, to get sufficient people to warrant that size of an area. And each hospital board will be eliminated as they presently are, each one will be eliminated under this new plan. A new board will be appointed, elected and approved of by the Minister. And this in turn could cause some problems. It could cause a lot of problems in our given areas. These are the things that concern me.

One of the things . . . it's just too bad we didn't have this bill six weeks sooner. And why should I say that? Because I haven't even been home yet since we received it - haven't had any time to discuss it with the hospitals. The hospitals in our areas, or the administrative boards, I don't suppose they even know that this bill was printed. Many of them won't even know. They won't even know when it gets into committee. And they haven't got time because most of them are farmers, they are very busy people at this time. What you should do, Mr. Acting Minister, is to leave this, pass Second Reading, and take it to the people during sessions. There's no urgency about it - the hospitals are operating. We're still looking after sick people, they'll continue to look after sick people. Take it to the people, let them have a look at it before you give it Third Reading. If you give this Third Reading, you're making the biggest mistake of your lifetime, the biggest mistake of your lifetime.

Oh yes, the Minister, he shakes his head. Well I don't know whether they've got that hospital out in Seven Oaks yet or not, I don't know whether the plans are approved or not. But you haven't got any concern at all, the hospitals are all built in Winnipeg here - with the exception of yours in Seven Oaks. We've got problems like you never saw before, if you start messing around out in our areas. And I tell you, before we approve something here like this

BILL 48

(MR. McKELLAR cont'd) Bill 48, we got to get a lot more answers than we've had up till now, a lot more answers got to come out of this. But don't take . . . you've got to answer to the people, all the hospital boards - and I would way to you, give it Second Reading, take it to the people and do something about it next session.

MR. SPEAKER: The Honourable Member for Fort Rouge. It's still in the name of the Honourable Member for Morris.

MR. PAULLEY: Well, Mr. Speaker, I wonder whether the Honourable Member for Morris, who had the original adjournment, should not be given precedence in speaking, if he so desires. And if it is his desire, of course, to have the debate to stand later, well that's quite all right, because we've established that precedent. But it was just that question I wish to raise to you.

MR. SPEAKER: Well, he's not present. The Honourable Member for Fort Garry.

MR. PAULLEY: Oh, I'm sorry. He was . . . he must have just stepped out. Okay.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, on that . . .

MR. SPEAKER: Point of order.

MR. SHERMAN: On that point of order, the Honourable Member for Morris has had to leave to go to a meeting, but he would hope to have the debate stand in his name.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I had just intended to say a few words on the bill, but after listening to the inspired words of the previous speaker, I feel it almost required a second look, because he brought forward many points that require examination of the bill.

I should say that, in first looking at this particular bill, the intent of it is something that I think was in accord with many of the debates that occurred during the discussion that we had on the estimates of the Minister of Health and Social Development. I think members from both sides of the House, and representing all parties at that time, expressed a very strong concern about finding ways and means of beginning to try to conserve on the building of new Health and Social Services facilities, and to try to provide for a more efficient administration of those services. While the previous member indicates that he is scared of this particular bill, I can recognize the sort of concern he has, but I must confess my own particular concern is the galloping increase in Health and Social Services cost that we are facing in this province, and that if there are any measures that can be designed to try to control those costs and provide for a rationalization of services, then I'm afraid that I would have to support it.

Mr. Speaker, as I look at this bill, it does pose to my mind one very serious question - and I want to acknowledge the contribution made by the Member from Brandon West, I believe, in the debate on this bill a day or two ago, where I think he pointed out, quite rightly, that the measures proposed in Bill 48 must be considered in company with other pieces of legislation that this government has proposed. Because as we rush through all the bills during the speed-up procedure, it sometimes escapes notice that, at certain periods, trends are beginning to build up in the direction and thrust of government policy and government thinking. And it seems to me that this bill should require some pause, because it is reflective of one of the trends - which I'm beginning to detect as I look at the bill on planning, and the bill on denticare, and the bill on health services and the administration of health services, and other bills that have come forward at this session - to the increasing extent by which we are delegating, or allowing ourselves in this Legislature to delegate a great amount of authority and responsibility and control, and power for decision-making, to appointed officials, to officials who are one or two or three dimensions removed from the direct elected Chambers of this province, and that increasingly we are allowing ourselves to slide into the erosion of the power and autonomy of the elected representative.

I suppose there's been a great number of political science textbooks written over the years about the increasing dominance of the executive branch of government, and how legislatures are becoming, in a sense, somewhat incidental to what really goes on. I, for one, would not like to think that, because I believe that in the day and age that we live in, this is one of the few arenas left in which there is some possibility for individual citizens and private people to have their voices made known. But if we, in fact, allow ourselves to continually create a series of appointed boards, of having one delegated member from a municipal council sitting

BILL 48

(MR. AXWORTHY cont'd) on them - whether it's a planning board or a special health district board - then we are allowing ourselves really to pass on or transfer a fair amount of direct representation and direct responsibility for decision making, and for the rights of making decisions. And I can understand the reasons for that kind of activity; that is, someone who sits as a Minister of the Crown has a problem put forward to him by officials saying, lookit, we have to find some way of saving costs of health care facilities in southwestern Manitoba - or in northern Manitoba, or downtown Winnipeg, wherever it may be - and what we have to do, is reorganize the structure and everything else. And what we'll do is we'll make sure that everyone gets a say, so we'll make sure that there's some city councillor or municipal councillor sitting on it. It seems like an easy and simple solution. But if you begin repeating that kind of practice too often, you begin to find that the whole province is sort of overlaid with a number of boards and commissions and agencies, and different kinds of organizations, that are making very important decisions - and there is perhaps no area more important than the area of health and social welfare, making them without much reference or accountability, or direct accountability, to the elected Chambers. And I think that this bill is just simply one in a series where that particular practice is beginning to occur. And, Mr. Speaker, we must object to that very strongly. Not object to it on ideological grounds, I don't think this has anything to do with ideology. But I do object on the grounds of government itself increasing its power and autonomy and as that power increases, the lines of responsibility and accountability weaken. So here we are giving increasingly more things for government to do, while at the same time we're weakening the very instruments and machinery that have been in existence for 100 years that are normally, or should be normally used to try and control them. Because if you take debate discussion out and apply these kind of district boards, I'm afraid the accountability breaks down.

Mr. Speaker, that is becoming a serious weakness in the way that we govern this community and it's one that we are party to, or accomplices to, if we allow this bill to pass without bringing forward that particular problem. That if we simply agree to the demands of efficiency, if that's the rationale that's being used, without saying there is also the other major premise of a democratic society, and that is responsibility must go along with efficiency, and if this bill, in company with the other bills that have been brought forward weakens that second premise, I would say then there is something fundamentally wrong with it.

I think, Mr. Speaker, the kind of problem that I'm talking about is even more accentuated if you look at the actual provisions of a bill like this, because as you go through the bill itself, Section 6(1) is perhaps the most dominant example - you see that not only are we transferring a fair amount of responsibility to, in a sense, non-elected chambers of decision-making, but we are also passing on or transferring a great deal of discretion to that almost nefarious creature called the Lieutenant-Governor-in-Council, that we are beginning to say more and more that, boy, we're so busy in this Legislature that we can't be bothered to put down more specific details of what powers are going to be exercised by whom. Who's going to sit on boards? What responsibilities will they have? We'll say, no, we'll just leave it up to the Minister and he will decide. So we increasingly transfer this discretionary authority, and we're doing it for reasons saying, you know, we've only got a four-month session, we want to get through it, and the simpler the bill is the more flexibility. Now that's placing, I suppose, and you can make the argument, a high degree of pragmatism into the bill, that you give the Minister responsible the option of making kinds of choices and he or she may not know what choices they want to make at this point in time. But I think again, once you begin building up that body of orders-in-council and rules and regulations which are sort of hidden away in a gazette - I know the Gazette is a public document, but it's a document that doesn't have the same kind of scrutiny and public exposure that goes on in this place - and if you begin sort of tucking away all those rules and regulations and orders into the gazette and making this decision, then, in a sense, we are creating that kind of body of rules and laws that the people have to adhere to without much debate. I would propose, Mr. Speaker, that in many cases the rules and regulations are far more important than legislation themselves in terms of the actual impact of the program. That if you really want to know what makes the program go, you look at the rules and regulations, because the law itself allows such latitude - and I suppose you could say permits such lassitude in its operation - that, in fact, the ability to really define the character of a program or a policy is not being debated in this Chamber at all. And

BILL 48

(MR. AXWORTHY cont'd) we saw a prime example of that last evening in the Law Amendments Committee when we were discussing the dental care program, and the major objection of those who arrived, at least ostensibly or publicly, was they approved and agreed with a Denticare program, but what they were concerned about is that no one had said what the program was going to be and that we were, as a Legislature, passing enabling legislation that could have set up two almost contradictory kinds of programs without stating what we were going to do.

So, Mr. Speaker, I must object on those second grounds, that once again we are allowing ourselves to be beguiled into transferring a high degree of authority and responsibility into the closed rooms of Cabinet and into the more restricted chambers of the civil service, the real right of decision-making that rightly resides in this Chamber. And again, this bill is permissive, enabling, and it can be defended on all those grounds, but it still represents the kind of concern that the previous speaker represented, that before one is being asked to agree and put his vote on record as to whether he or she wants to approve the establishment of a district health and social service administrative system, then we should have some idea of what that system is going to do. What is going to be the kind of discretion that will be used in relation to hospitals and personal care homes? What is going to be the relationship between these district boards and the different volunteer and voluntary agencies working in the field? What rights of access does the private citizen who has a grievance or an appeal or some requirement to make his or her concern known to this district board - what rights are going to be protected in this bill?

Mr. Speaker, I looked at the bill closely and found none of those provisions within it. They were all up to the Minister to decide. Now that is placing a great deal of trust and faith in a Minister, and while I have nothing but the fondest affection for Ministers of the Crown generally, I must confess that I have a high degree of scepticism about their particular ability to provide the stewardship and guardianship that's required in order to make that bill work properly because they, probably more than anybody, are busy people and have all kinds of pressures put on them and are subject, and oftentimes captive, to the advice that is being given, and it is so very easy for them to sign those orders-in-council without the proper consideration being given. And all of a sudden you find that what we're talking about in this Chamber, what seems to be a fairly progressive kind of proposal, can end up as it develops in terms of its actual definition of program and policy a year or two from now, executing a very severe restriction and repression upon rights of certain kinds of people as it's being applied. And I, for one, Mr. Speaker, don't want to be party to that kind of proposition. I think that if we are going to be asked to approve of things like this, that this Chamber requires a much more extensive kind of delineation of what is going to be done and a much more extensive description of the accompanying program that we see being followed. Because one thing has not been made clear, Mr. Speaker, to use one example, I think the Member from Brandon West pointed out before, there hasn't really been a clear enunciation of what is going to happen to the private personal care homes in the province, for one example.

The Minister of Health and Social Development, during his estimates, indicated that the government does not look kindly upon them and would probably seek to replace them over a period of time. Well, is this bill the instrument of doing that? I would raise the question, Mr. Speaker, that it seems that, in part, this government is going against some of the principles that only a year or two ago it held sacred. I can recall when the Minister of Tourism and Recreation held the portfolio of Minister of Health and Social Development, and there was proposals being made at that time for the establishment of community clinics, and one of the sacred principles that was put forward as part of the establishment of a community clinic which was to provide many of these integrated services, was the idea that there be community representation on the board, that the users of service would have a right to speak, to be heard, to have access. Now, Mr. Speaker, there is nothing in this bill that says that same right is going to be preserved. It is being preserved only in the somewhat indirect way that you're going to have a council appoint them, but where do we say that the clients of these services will have a proper access and involvement in the decision-making that goes on in this board.

So here was a principle that I think the former Minister of Health spoke eloquently about on the occasion, because I've heard him at panel meetings, that the Department of Health and Social Development conceded was a major fundamental requirement in any planning of health

BILL 48

(MR. AXWORTHY cont'd) and social services was that there must be a fair and open representation of the users and clients of that service. Well, that particular concept seems somehow to have been lost along the way. And I would hope that the former Minister, unless he's changed his mind in the meantime, would rise to his feet and ask the same kind of question I'm asking. Where is it? How is it going to be introduced into the operation of these district services? Because, Mr. Speaker, I go back to my original point; that one of the proposals or propositions put forward - again, I think by the Member from Brandon West - was that is this kind of district health service just part of a network of regionalization that's going to go on in the province? Is this really just the camel's nose in the tent and that as we compound this particular bill with those of the Planning Act that we really are reaching towards a form of regional government? And even if we are just simply relying upon the single purpose districts, so that we're setting up a single purpose district in a planning field and a single purpose district in the health field, I think we have to look at the consequences of those particular actions. And one of the major changes, Mr. Speaker, I believe that has gone on in the evaluations and assessments of regional forms of government is that they may not be necessary and that they are probably not worth the trouble that goes into putting them together. That if you examine the regional form of government that has been introduced in Ontario and has now been operating for a period of three or four years, you'll find out that what was heralded as a great advancement in the integration and co-ordination and planning of government services has turned out to be a bummer, that it really hasn't done anything, that all it's added is an additional tier or additional level of government or additional series of commissions and agencies but without much power, because they're still really sort of dancing to the tune set for them by a centralized provincial administration or are so, again, opposed and handicapped by the opposition of the local municipal councils that they have really become units, but expensive units because salaries are still being paid and organizations are still going on.

I wonder, Mr. Speaker, if, in fact, what is being proposed here in Bill 48 is really an afterthought or a hangover from an earlier period of public administration theory which said the best way to get efficiency is to integrate, co-ordinate and regionalize, which seemed to be very popular and very fashionable ten years ago if you look at the public administration journals and the kinds of proponents of public administration, but that we're increasingly finding out that the same kind of co-ordination can occur between smaller separate municipalities without going through this formalized reorganization. I think that that is an important reason for looking at this bill much closer and with a much harder eye. Because, in fact, if we can achieve the same degree of planning and co-ordination between municipalities using informal councils or informal arrangements of negotiation and co-operation, then I would suggest it would save an awful lot of time and trouble in this kind of reorganizing. So it may be that we are simply engaging in a little bit of a fool's exercise of spending a lot of time and energy and resources trying to reorganize a whole system when, in fact, it may be much easier to provide the kind of incentive planning that would encourage the different municipalities to combine together without going through this exercise.

I raise the point, Mr. Speaker, because I haven't heard that particular kind of assessment brought to bear yet on this issue, that it may be sort of redundant or non-essential in us carrying forward Bill 48, because it may be that we can get the same kind of planning and the same kind of integration of services without having to go through the somewhat painful exercise of disbanding existing hospital boards, try to pull people together into old ones, and combining it, at the same time, Mr. Speaker, losing a very valuable, extremely valuable premise and principle of our system, and that is to provide for the maximum of access and accountability on a local level. Because I'm afraid that is what is going to happen as a result of the bill, and if we lose that and gain nothing in return, then we're not being very smart. Because it would be a horrible kind of irony if we gave up some of the still existing abilities of local areas to define the kind of services that are peculiarly required in that area because the kind of decision-making are close at hand and reflect that community, by expanding the area, providing a board which isn't quite as close and losing that sort of particular aspect, at the same time we don't get any better planning. If we're doing that, then we're not really being very wise about the kind of exercise we're conducting here this afternoon in terms of being asked to pass this bill.

So I would suggest, Mr. Speaker, that one of the things that an examination of this bill

BILL 48

(MR. AXWORTHY cont'd) requires is to look pretty hard at the kind of result that one gets from forms of regional reorganization. And I would simply like to suggest that the history that we're now beginning to see in this country in terms of the problems being faced in New Brunswick and Ontario with regional forms of reorganization, really would suggest to me that it may no longer be worth the effort and that, in fact, you lose a lot more than you gain by going through this exercise. I started off with the basic proposition that I'm here to be convinced otherwise, but I start off from the fundamental requirement that we must do something to find ways of better planning our health services and not have them in quite as ragtag a fashion, because if we don't do that, we're simply going to be spending ourselves into a bankrupt position very soon. But I'm not so sure that this is the way to do it and that is why I sort of invite a much more extensive participation from other members on the other side who have thus far been silent on this bill - other than the Minister who introduced it - to give just cause and just reason why we should support a bill like this based upon the kind of principles that I've tried to bring forward.

So, Mr. Speaker, our position, speaking on behalf of our own group, is that we have some very serious reservations about the efficacy of this particular measure in achieving the objectives put forward to it, and not only reservations about it in direct relation to the provision of health and social services, but also severe reservations about what it represents as a general trend in government, and that is to increasingly transfer the power of making decisions and the power of deciding what's going to happen into areas which are increasingly inaccessible and unaccountable and harder to reach through the direct arm of elected representation or through the direct access of private citizens. Because if, in fact, that is what we are giving up in this bill, then it's simply not worth it.

MR. SPEAKER: The motion will stay in the name of the Honourable Member for Morris. We are now at second reading of Bill No. 37. The Honourable First Minister is absent. Bill No. 46. The Minister of Industry and Commerce is absent. The Honourable Minister of Labour, Acting House Leader.

MATTER OF PROCEDURE

MR. PAULLEY: Mr. Speaker, just before calling the motion to go into Supply, I'd like to make one or two announcements, if I may, as to suggested procedures I think will be agreed upon.

The Committee on Economic Development meets tonight. I'm reminding the honourable members of that first of all. There has been called a meeting of the Law Amendments Committee for tomorrow evening. The suggestion I make, and has been concurred in with the House Leader of the Official Opposition, that at Law Amendments Committee meeting tomorrow night, we proceed with those bills that were listed and to which representations were made last evening, and that we then consider those bills, clause by clause, without any additional bills being added possibly from today. And then I understand the notice has been put up - that was Friday. Now Saturday at one stage in the game there was some inclination to meet on Saturday to consider Estimates. I suggest that we will not meet on Saturday. And then on Monday next the Committee on Economic Development is called once again. The Honourable Member for East Brandon wondered when the McKenzie Seed people will be before the Committee. It is my understanding that they are being requested to come in on Monday evening for that particular committee, and just in passing as a suggestion, that as they are from out of town they may be heard first of all, by the committee, but of course that's in the hands of the committee itself. If that's okay. --(Interjection)-- Did you have something?

MR. SPEAKER: The Honourable Leader of the Opposition on the matter of procedure.

MR. SIDNEY SPIVAK, Q. C. (Leader of the Official Opposition) (River Heights): Yes, on the matter of procedure, because this matter was mentioned last night at Law Amendments. One of the difficulties - and I say this and it presents I think some difficulty, with respect to dealing clause by clause of the bills that were referred to - and there is no intent on our part to not facilitate the procedures in the House - is the lack of a transcript of the proceedings of yesterday. I recognize Hansard may not have been produced, but lack of a Hansard itself, and I believe it would be a factor particularly with the two bills 52 and 53 in which a substantial amount of - well a substantial number of delegations appeared and a substantial amount of time was devoted to that part. I wondered if it's going to be possible to facilitate that, because I

MATTER OF PROCEDURE

(MR. SPIVAK cont'd) think it's going to make it very difficult to deal with those bills intelligently by the committee without the benefit of the transcript itself.

MR. PAULLEY: Mr. Chairman, of course the conduct of the committee is in the hands of the committee itself. I appreciate the point raised by the Honourable the Leader of the Opposition, he did raise the point at the meeting yesterday evening, as a matter of fact I recall that I asked if the President of the Dental Association had copies of his brief, he did but of course that doesn't take into account the questions and the interchanges with others. Now if it is the desire of the committee to hold back clause by clause consideration of those two bills referred to it's in the hands of the committee, chances are that it would be agreed upon.

My major point, I understand, Mr. Speaker, too, in respect of those bills that there may be one or two direct representations on those two bills that might be heard tomorrow night due to the shortness of notice and I would suggest to the committee that that be done, but my major point in rising is that we don't go through a whole lot more representations to the bills if we can avoid it and for that reason I was suggesting that no further bills be considered by the committee tomorrow night. That is the new bills that may be passed for second reading today.

MR. SPIVAK: I just want . . . because I think members on the Opposition, I'm sure members of the government have been called. And it's not a question of trying to repeat what the Honourable Minister of Labour has presented to the House, but are we going to accept any other representations on the bills now before the committee before we deal with the bills, if someone does appear tomorrow?

MR. PAULLEY: Again, Mr. Chairman, that would be in the hands of the committee. The reason I specifically mentioned possible representation on the two dental bills was because it was drawn to my attention that someone from out of town particularly was not aware of the bills being considered and I sometimes am a democrat and I thought that it might be well to give them that privilege. But surely, Mr. Speaker, I hope, I trust that there will not be an onslaught of people requiring to be heard on all of the other bills as well.

MR. SPEAKER: Order please. The Honourable Member for Logan has something on that matter of procedure?

MR. WILLIAM JENKINS (Logan): Mr. Speaker, if I could just draw to the attention of the House, that there will be one copy of the transcripts for each Caucus delivered tomorrow morning.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Urban Affairs that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried, and the House resolved itself into a Committee of Supply with the Honourable Member for Logan in the Chair.

COMMITTEE OF SUPPLY - DEPARTMENT OF LABOUR

MR. CHAIRMAN: I refer honourable members to Page 33 of their Estimate Book. Resolution 74(a), The Honourable Minister of Labour.

MR. PAULLEY: Mr. Chairman, I hadn't quite finished answering a number of questions that had been raised previously by the Members for Fort Garry and for Assiniboia, then this morning we had the pleasure of hearing some contributions from a couple of rural members of the House dealing with Labour Relations that I think that it's only proper for me to make reference to.

The Honourable Member for Fort Garry mentioned about the Woods Special Committee to consider the report that was made to me back in July of last year dealing with public sector employee-employer relations in Manitoba. And he noted, properly, that one of the recommendations of that committee was that a continuing committee be set up of representations from industry, from labour, from the educational groups and others to continue study of the important matter of employer-employee relations in the public sector and also to start in possibly to take a look at the private sector as well so that the Department of Labour, and in particular of course the Minister, would have the opinions of a broader group of people in this important field.

I've had some difficulty, quite frankly, Mr. Chairman, in setting the numbers to be on the committee and wrote letters of invitation to a considerable number of groups that I thought

SUPPLY - LABOUR

(MR. PAULLEY cont'd) that would be interested and while still waiting for two or three to answer my request for nominees to be on this committee, I decided that we would go ahead and send out the invitations . . . name the people that will be sitting on this committee, who have been nominated by their respective people, and today those letters went out to the delegated people. Hopefully there will be a meeting of that committee within the next week or ten days. So I want to assure the honourable member that the recommendation contained in the report was accepted by myself as Minister because it was directed and recommended to me, the notices of invitation to attend the continuing committee being mailed at this moment. So we are moving along. And the question is raised, has been raised throughout the debates on the Department of Labour this year, I might say more intensified my opinion than it has been for a number of years, and quite properly so, because of the climate that is existing throughout the whole areas of management-labour relations, and I suggest, Mr. Chairman, that this is one of the reasons - Oh and the anxiety in the points raised are "What are you doing as Minister of Labour in Manitoba? What are you doing to try and arrive at solutions of the problems with which we are confronted?" And I would suggest as evidence, Mr. Chairman, to what we are attempting to do, is the report itself of the so-called Woods Committee, the Manitoba Labour Review Committee and the Manitoba Joint Council, in a sense you may call it, and I sent copies I believe to every member of the Assembly for their information and so that they could see the recommendations that were made. I'm informed that as far as the report itself is concerned, while it contains many recommendations, they were agreed upon in some instances by representatives of both management and labour, in other cases it was simply a consensus and a recommendation that was not fully supported by the complete group. Then some recommendations reflected, may I say, management opinions and others reflected the opinions of union movements. So that is the content of the book and just, again, the reason for the request by myself to Professor Woods - I'm sure you all recognize that he is one of the most foremost experts in the field of industrial relations, has headed this committee for a considerable number of years. The previous administration got the services of Professor Woods and I was pleased to continue along that line.

This is one bit of evidence I suggest to members of the Assembly of how we are attempting to find solutions to the problems with which we are confronted. The Review Committee dealing with the public sector employee-employer relations in Manitoba that I hold in my hand now is very firm in one recommendation, and that is the recommendation that the process of collective bargaining be continued, and that the less compulsion that there is the better for all concerned. If honourable members have not had an opportunity of reading the document and the appendixes to it, I respectfully suggest that they should because it is most informative. I repeat that the invitations have been sent out to take part in a continuing committee, which is one of the recommendations.

The Honourable Member for Assiniboia raised the matter of the percentages for voting on certification and decertifications. I would refer to him another document that I sent out for the edification of honourable members of the Assembly. Members will recall that at the last session I indicated that I was going to ask for opinions as to the effectiveness or ineffectiveness of the Labour Act that was passed in 1972, and as a result here again I sent out numerous letters to individuals and received some very interesting comments and briefs from them. And following a chance of having it made, I then caused advertisements to be placed in the papers with invitations. And included in the replies that I got, in answer to my friend from Assiniboia, the question of the percentage application was referred back to me.

Now I had given an undertaking that I would try my utmost to have an assessment made of the briefs that were submitted to me, that I would then send out a synopsis of the briefs or a summary to members, particularly the members of the Industrial Relations Committee of the House, call the committee together to hear further representations, and hopefully following that to have a bill before this House reflecting possible further changes in the Act including that referred to by my friend from Assiniboia.

But quite frankly, Mr. Chairman, the representations that were made were of such a nature that it couldn't be done overnight. So I have to admit failure in that I haven't got that legislation and only one or two pieces of legislation dealing with labour will be before the committee today. Now it's my impression I did send this to all members of the House. It may have been just to the Industrial Relations Committee. My advisers say that it was sent out to

SUPPLY - LABOUR

(MR. PAULLEY cont'd) all members, and here it is, and it's just a condensation of a stack of documents in my office that reaches about a foot and a half or two feet in height. So it hasn't been an easy task to read each and every brief - and I want to say, Mr. Chairman, that I have read every single word in every single brief, and that has caused some delay as well. I am being severely criticized in some quarters because I didn't follow through what I thought that I might be able to do last year, and I accept the criticisms based on from whence it comes. The only thing I can say is, it would be my intention to pursue as quickly as possible the reassessment of the representations that were made.

I want to say, Mr. Chairman, that while I realize that the present Labour Relations Act isn't perfect by any means, that there are areas where it can be improved upon, and suggestions will be forthcoming, I thought it was only fair to inform the members of the committee why it is that they haven't got more labour legislation before them today. But I'm equally sure that the honourable members who did take the time out to study a summary of some 20-odd briefs, will find the condensations of great interest in their areas. I think that generally deals with the points raised by the Honourable Member for Assiniboia and Fort Garry.

I'd like to refer to two members who spoke this morning from the agricultural sector of the province - and I realize quite fully the problems that agriculture and small businesses are being confronted with because of the third party aspect, namely the worker. The Honourable Member for Gladstone dealt with the question of strikes, and the effects of strikes on agriculture and rural areas. Of course, as it was pointed out, generally this is under federal legislation, and I'm only responsible to answer basically for the problems within Manitoba and our own particular Act. But it would be incompetent - or, I would say, I would be very neglectful as the Minister of Labour and as a Canadian, not to be concerned with the issues affecting agriculture. I do point out to my friend from Gladstone, however, notwithstanding the area of responsibility, that in some of the recent disputes at Vancouver, and also at the Lakehead, the responsibility for the non-shipment of agricultural products from Manitoba rested to a large degree, not on labour, but on management, because they refused, management refused to adopt the recommendations of arbitration boards for settlements of disputes. Now I'm not implying to my honourable friend that he may not be aware of that. All I'm simply saying is, that in labour-management relations, it's a two-way deal - or a three-way, if you consider government.

And then my honourable friend, just like so many others - and I don't fault him for it - after drawing to the attention of the committee the problem, and after obliquely suggesting that the Minister of Labour should have the solution, said: "But I haven't got one."

MR. JAMES R. FERGUSON (Gladstone): I said profit sharing.

MR. PAULLEY: Yes, you said profit sharing. But that is one of others - but it's no solution to most of the problems, Mr. Chairman, I suggest, that we have before us today. The Honourable Member for Roblin indicated that he fully supported - if I understood him correctly - the concept of free collective bargaining. He's nodding his head in assent. Now then, if we agree with the concept - I'm glad my friend does - of free collective bargaining, then we have to have - or run the risk, to use that term loosely, of the possibility of lock-out or strike because two parties, under free collective bargaining, don't always agree one with each other.

MR. J. WALLY MCKENZIE (Roblin): Mr. Chairman, I wonder if I could ask the Honourable Minister a question?

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: I'm wondering - when can productivity or . . . like in the Alvin Hamilton formula, which I raised in my remarks this morning was, if you load one ship a day, the dollars are that; if you load two, the dollars are doubled; if you load three ships a day, it's triple wages; if you load four ships a day, it's four times the wages; and, you know, that . . . I wonder - is that fair to ask for that productivity or maybe it isn't, I don't know.

MR. PAULLEY: You only have to agree, Mr. Chairman, the methodology and the payment is a matter for negotiations under free collective bargaining, and if there's some arrangement made that way in order to expedite the shipment of grain, well and good. But that is not the point that I'm raising. We're talking about collective bargaining. Now maybe, maybe when we deal with the question of a solution to the problems with which we are confronted both nationally and provincially, maybe a suggestion of one of the Conservative members from Manitoba, could be a solution - and I don't know whether the Honourable Member for Gladstone

SUPPLY - LABOUR

(MR. PAULLEY cont'd) would agree with this type of solution or not. But I wonder if he's had an opportunity of taking a look at a recommendation, or a suggestion made, reported on March 31st, attributed to a member of the Conservative Party, a Member of Parliament for Selkirk, by the name of Dean Whiteway. And he proposed in the House of Commons, as a solution to our present industrial difficulties, a five-year ban on strikes in public and private areas. Now, I don't know whether or not he was reflecting true Conservative policy or not, but it --(Interjection)-- Yes, my colleagues interject, certainly Conservative. But I'm wondering whether my honourable friends who are seeking solutions by me, the Minister of Labour, and my fellow Ministers, would suggest that we should adopt the suggestion of a Conservative MP from one of the agricultural producing areas of Manitoba of a five-year ban on strikes, period.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. FERGUSON: Thanks, Mr. Chairman. Then I would ask the Honourable Minister of Labour, does he agree with the fact that, in Canada, that we can continue to have a 30 or 50 percent wage increase every year, as against possibly a freeze? How many more years does he feel that we can go on in this particular rising spiral?

MR. PAULLEY: Mr. Chairman, I'm not an economist, I'm a Minister of Labour, but I would suggest that we can't go on forever this way - that is an off-cuff observation, and it is correct. But I would suggest the type of - I was almost going to say stupid solutions as this, but I should be respectful, I suppose of a Member of the House of Commons, and say it seems to me to be a sort of an idiotic, irresponsible suggestion of a legislative five-year ban on strikes, which, of course, means that the Honourable Member for Roblin could not continue supporting free collective bargaining.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: If the Honourable Minister will give me a chance to reply, I'll respond very quickly. I'll just ask you the example that's in Saskatchewan today, where the Social Democrats, is it they call this party? or the New Democrats of the socialist movement, have now opted out the - what do you call those radicals in Saskatchewan? They're not even involved in this election campaign. The Waffle. The Waffle, Mr. Chairman, were not involved in that campaign in those days that they were in Saskatchewan for some unforeseen reason. And we had some of those Waffle guys here; we had Gonick - and so they're no longer considered as part of this thrust in Saskatchewan. Now, would you give us the fair ball game that we have some Waffles in our party today, and some people . . . And the other point, Mr. Chairman, is that the Minister should . . . I'm sure all the members of his caucus don't agree with him all the way. So you have those that, you know, vary from time to time. We have them in our party and you have . . .

But let's get back to the matter of how we're going to solve this problem. I think the Honourable Minister - while I stand on my feet again - should take a close look at that Alvin Hamilton formula. I think it's worth looking at, and if I was one of those people on the docks and you said, "Look, you guys, if you load the ship twice as fast, we'll give you twice . . ." - that's productivity! Load them three times as fast and we'll give you three times the wages, and let's get that agricultural product out through those ports, over into the countries, the underdeveloped countries, and everybody makes a buck. But I don't know how you're going to solve it because of this element . . . And maybe we should go farther in this debate.

Mr. Chairman, I'm sure the Honourable Minister of Labour knows of the subversive elements in this country, especially in Quebec, that have infiltrated the labour unions of this country, where the labour people today are not meaningful, they're not honest, they're not fair, they're not square. The things that are being . . . --(Interjection)-- Well, the Member from Flin Flon can go off on a tangent - and this is not Flin Flon I'm talking about; I'm talking about international unions and national unions. The Minister of Labour knows what I'm talking about and most people in this country know what we're talking about, where these are not the Canadian unions or the Manitoban unions, or people that have some input or thrust into what the conflict is. This is subversive political elements that have infiltrated those unions. And there we are to date. And I don't know how we're going to solve it, Mr. Chairman, and members of the committee, but I tell you, we're on a dangerous course and we're on a disaster course, where we in this country are producing the best food that anybody can have in the world and we can't deliver it to the underdeveloped countries. Forget about the underdeveloped

SUPPLY - LABOUR

(MR. McKENZIE cont'd) countries; we can't deliver to the markets of Japan who are prepared to pay for it in hard, cold dollars and cents, because of the blockage at the ports. And that's not fair. It's not fair in this province because we're so small, but our whole base is agricultural.

As I said in my comments earlier today, Mr. Chairman, and to the Minister, the State of Japan have had to close off two programs which provided the children of Japan with agricultural products from Canada twice a day - cheese, butter, milk, bread, meat, all from Canada. We can't deliver it over there today. Now why? I'd like to know why. I suspect, and the Minister knows, that there is subversive political infiltration that's coming up through the back doors of these unions and it's not fair ball today that we're bargaining on. It's another element that's infiltrated in, in the last four or five, or six or seven years, that we didn't have before. I don't know how the Minister is going to deal with it, and I don't know how his deputies are going to deal with it and it's hell, because it's a serious and a most important problem. But we've got to deal with it if we have to go it by ourselves and let the farmers of this province jump on the trains, on the back ends of those trains - there goes a trainload of grain to Vancouver - and put a whole bunch of farmers on the back end to unload their own grain. God help us if they defy that to go over . . . and especially to feed the underdeveloped countries, which we're prepared to do in this country. We've done it historically and we always will. But when you get there at the port, you can't unload it. And that ain't fair.

MR. CHAIRMAN: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Chairman, it's not my desire to get into a philosophical argument with my friend about the Waffle in Saskatchewan and these insidious people who happen to be the founders of the trade union movement, who are so connected with Canadian unions from the United States, and talk about infiltration here, and the Waffle of the Saskatchewan party. I refer him to certain news reports that I have seen recently of the possible infiltration in the Conservative Party of Manitoba by elements that are not satisfied with the status of the present officials in the Conservative Party in Manitoba. So I suggest that when we're going to start really making detailed investigations into certain areas, we should first of all make absolutely sure that our home front is pure; and indications are recently, at least, that within the Official Opposition in Manitoba they're not quite as clean or clear as they should be.

But I don't think, Mr. Chairman, this really is part of the consideration of the estimates of the department, because we are trying to seek solutions to the problems with which we are confronted, and maybe, maybe there's been a change of heart in the Conservative Party of Manitoba as to solutions in the area of strikes. They just recently held a convention, or a seminar, dealing with policy matters for the Conservative Party in Manitoba and some of their solutions to the problems that we have. Mr. Chairman, I find them quite interesting. You know how frequently, in all pieces of legislation that we get before us, or many of the pieces of legislation that we get before us, there is reference to giving authority to the Lieutenant-Governor-in-Council to take certain actions or do certain things under the legislation, and in most cases the spokesman for the Official Opposition, particularly, criticized the power of the Lieutenant-Governor-in-Council in respect of legislation. The Conservatives, however . . .

MR. McKENZIE: Look at the mess we're in today.

MR. PAULLEY: That's right. We'd be in a damn sight worse mess if we adopted the solution as advocated by the Conservative Party at their recent seminar. And I want to read it, I want to read it into the record, Mr. Chairman, as to one of the solutions to the problems we're confronted with in labour-management relations in Manitoba. --(Interjection)-- It didn't have any productivity either.

Mr. Chairman, I have now found this solution to the problems of management-labour relations as exhibited by a resolution adopted by the Conservative Party dealing with what they call . . . services. I gave reference today to the Woods Committee Report on relations in the public sector after consideration of various parties, but I think I should put on the record the solution as adopted by the Conservative Party.

A MEMBER: Can we read some of your . . .

MR. PAULLEY: Yeah, and I wouldn't mind - Mr. Chairman, Mr. Chairman, I wouldn't mind if my honourable friend read mine. I trust that he doesn't mind me reading his solution, or the solution of his party.

SUPPLY - LABOUR

(MR. PAULLEY cont'd)

"WHEREAS it is essential to create a harmonious climate so that labour and management may co-exist and equitably serve the interests of employees, unions and management, with all due concern and regard for the rights and interests of all our citizens;" - motherhood!

"AND WHEREAS the rights of our citizens at large to protection and essential service must be preserved and protected.

"AND WHEREAS the rights of the parties involved in labour dispute must be preserved and protected, and the withdrawal of services or strikes in vital services as hereinafter defined" - they didn't even take time out to define them - "causes severe hardships to the citizens at large;

"AND WHEREAS employees employed in vital services" - of course undefined - "who become involved in a labour dispute are entitled to a just and equitable settlement of the dispute;

"NOW THEREFORE BE IT RESOLVED 'vital services' be defined in law as those services essential to the life, health and safety of Manitoba citizens, and those services the withdrawal of which would inflict grievous hardship on a significant number of the public at large" - again undefined.

Section 2 - and this is the most interesting one, at least to me, in view of the record of the Opposition's attack on the powers of the Lieutenant-Governor. Mark this, Mr. Chairman.

"No. 2. BE IT RESOLVED that the Lieutenant-Governor-in-Council be empowered to declare at any time that the uninterrupted operation of the whole or any part of a service business" - such as dry-cleaners, I would suppose - "or function, is essential to the public interest because it constitutes a vital service." Again undefined.

"No. 3. BE IT RESOLVED that a permanent judicial committee, comprised of members of the judiciary, shall be established and charged with the responsibility of arbitrating the disputes in those services declared vital, and an award of such a committee shall be binding on all parties involved in vital services dispute."

And this morning, my honourable friend from Roblin stated that he believed in free collective bargaining. The Conservative Party, first of all, would give to the Lieutenant-Governor-in-Council the right to declare what is a so-called vital service, and then, instead of dealing with it, hand it over to the judiciary for binding arbitration without involvement. "The effect of this declaration shall be, no employer affected by the declaration declare or cause or continue a lockout, no employee affected shall declare or cause a strike to be continued, no bargaining agent of any employees affected by the declaration shall authorize or participate or encourage a strike of any of the employees, and if the strike has commenced, shall require the employees in a unit to return to work forthwith."

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: On a point of order, Mr. Chairman, because I know that the Minister wouldn't want to leave an incorrect impression on the record and therefore I want to raise a point of order, Mr. Speaker, that the Minister is mistaken in the approach that he's taken - and I know he doesn't want to leave that error on the record. He's reading from and dealing with resolutions in preliminary form. I wonder if he could be reminded that those proposed and preliminary resolutions worked their way through a convention into a final conclusive form. He's not dealing with the resolutions as they were passed through the convention, he's dealing with proposals in the preliminary stage. And I just make that point for the record because I know that he wouldn't want - I know that he wouldn't want to mislead the House or the public, or create an erroneous impression about the deliberations of the Conservative policy convention in the labour area.

MR. CHAIRMAN: The Honourable Minister of Labour.

MR. PAULLEY: Oh, of course not, Mr. Chairman, and I want to assure my honourable friend that I do not want to mislead the members of this House, and if, through inadvertence, I refer to these as resolutions that were adopted by the Conservative convention, I apologize, but certainly, in order to get there in the resolution stage, they must reflect the thinking of a considerable number of Conservatives who attended that convention. So maybe, Mr. Chairman, I should take the time out to read for the benefit of my honourable friend from Fort Garry the substance of the resolution that was finally adopted, if I understand him correctly, by the Conservative convention, which basically--(Interjection)--I trust my honourable friend is not

SUPPLY - LABOUR

(MR. PAULLEY cont'd) suggesting that I'm attempting to be dishonest. I'm not going to argue with him as to the technicalities. All I'm suggesting, Mr. Chairman, that at the recent convention and the policy meetings of the Conservative Party on March 7, 8 and 9, in the index of the resolutions prepared by policy preparatory committees was that resolution that would in effect say, that in order to solve the problems that we're confronted with in Manitoba in the unnamed vital services, we simply give the power to the Lieutenant-Governor-in-Council to declare any or any part of the subject to compulsory arbitration by the judiciary.

Now, isn't this democracy? Isn't this a beautiful way, Mr. Chairman, for any political party who calls themselves progressive to suggest that a group of 15 or 16 people called Cabinet Ministers would have the power to say that part of the clothing industry can be declared vital because they happen to be short at that particular time on socks when there's a strike on. What a nonsensical approach.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Would the Minister suggest to this House that it would be more democratic to stonewall and stifle suggestions and discussion and debate? Is he going to be more democratic to cut off suggestions before they reach a consideration stage? Is he suggesting that that's the way the New Democratic Party would do it?

MR. CHAIRMAN: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Chairman, I'm prepared to defend the actions of the New Democratic Party. Yes, I am. Even the Conservative Party. But when the truth is out, I can understand and I can appreciate how disturbed, how disturbed the members of the Conservative Party must be. I don't know whether this was in a secret conclave or not, Mr. Chairman, that this document - maybe it's sabotage that it happens to be in my hand at the present time, but it certainly reflects, it certainly reflects--(Interjection)--Yes, it's a Water-cress file, and my friend the Member from River Heights is well knowledgeable of that. I referred to him a moment or two ago, unfortunately in his absence, not directly but as a result of the freedom in debate entered into by his colleague the Member for Roblin.

When I saw these resolutions - whether they were agreed to by the Honourable Member for Fort Garry or not I do not know, because naturally I wouldn't attend the Conservative convention. It might be enlightening and it might give some enlightenment to their conventions if I would. Certainly, when one takes a look at the type of tripe of the resolutions that were there, Mr. Chairman, even for the purpose of discussion.--(Interjection)--two bucks? Hell's bells, that's about ten times too expensive for me.

But my honourable friend asked me then to turn to the policy statement dealing with labour.--(Interjection)--Oh yes, there's a flock of lovely resolutions here that I'm sure would be acceptable to Labour. Oh, jiminy Christmas, I hope I haven't lost it - it's a dilly. It's a dilly.

MR. SHERMAN: Are we dealing with our estimates or your estimates?

MR. PAULLEY: No, I'll tell you what we are doing though, Mr. Chairman, we're dealing with propositions to try and arrive at some conclusions in order to get over this area of conflict between labour and management, and to consider approaches so to do; and that's part and parcel of my responsibility. And surely, if the Opposition has the right - and they have the right - to criticize my government and my party for what we attempt to do in this field, is it not equally fair game to do the same?

The policy statement of the party, it says that "sweeping changes made to the Labour Relations Act in 1972 have, to a large measure, contributed to a deterioration in labour-management relations and acted as a deterrent to capital investment, new business ventures, and so on. The law not only condones, but in precise situations . . . where labour unions may act in a manner contrary to the wishes and desires of the members they serve." An indication that in the opinion of the Conservative Party there's no responsibility at all in the trade union movement, and I reject that completely. "Free collective bargaining must serve . . ." Imagine. Just after I've read that collective bargaining should be the responsibility of the Lieutenant-Governor-in-Council, the policy statement of the Conservative Party referred to by the Member for Roblin this morning says, "Free collective bargaining must serve the interests of labour and management, but the process must also serve the interests of the community at large." True. But certainly the resolutions that were considered by the Conservative Party bear no interest at all in the interests of the particular section of the

SUPPLY - LABOUR

(MR. PAULLEY cont'd) community that they represent. "Accordingly, the Labour Relations Act must be re-assessed with a view to restoring bargaining power balance with a view of protecting individual rights and community rights." And one of the ways to do that, say the Conservatives, is to give it to Premier Schreyer and his Cabinet. Well, we don't want it, except at times emergencies do arrive where it's necessary to have action, and I have declared in this House that when that becomes necessary in any strike, the decision will not be made by the Lieutenant-Governor-in-Council. The Assembly, the people, will be called to consider the advisability, or otherwise compulsion.

MR. CHAIRMAN (Mr. Walding): Resolution 74 (a)-pass? The Honourable Member for Fort Garry.

MR. SHERMAN: Well, Mr. Speaker, we've had an interesting discourse from the Minister of Labour on what he considers the positions or the tentative and proposed positions of the Conservative Opposition in this House are to various labour problems in the province, but we're still anxious to have an accounting from him of his solutions proposed and projected in the fields of industrial dispute on the basis of some suggestions and some questions put to him in earlier stages of the estimates, and we would be interested in following up on that area with him in the time remaining at our disposal. Unfortunately, the clock being very close to 5:30, we can only anticipate that the Minister is not going to be able to elaborate it any further today; it will have to wait until tomorrow for his answers in that area.

I would only say with respect to the remarks that he's made in the last few minutes, Mr. Speaker, that they somewhat - I agree with him he has every right to criticize the Opposition's position in this area, as the Opposition has a right to criticize his position in this area, but I do think that the lines of debate and the lines of criticism should remain clear. There are many proposals that go before the policy conventions of any political party, as the Minister well knows, and I think we could have an interesting few minutes in this Chamber if we confronted him with some of the proposals that have gone on to the policy convention floors of the party to which the Minister belongs, the New Democratic Party. And I think we may in fact tomorrow engage in a few minutes of examination of proposals of that kind. If that is producing anything constructive in the way of an examination and an assessment of the Minister's estimates and his plans and his policies for the current fiscal year, we're happy to participate in that kind of debate, sir. And I hope we can pick that up in the next day's sitting. For the moment I see you're going to gavel me out - it's 5:30.

MR. CHAIRMAN: The hour of adjournment having arrived. The Honourable Minister.

MR. PAULLEY: I want to apologize to my honourable friend. I did give him the opportunity simply because when I glanced at the clock I thought it had gone past 5:30. I welcome the opportunity to debate our policy with his at any time.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, your Committee of Supply has considered certain resolutions, reports progress, and begs leave to sit again.

IN SESSION

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

MR. D. JAMES WALDING (St. Vital): Mr. Speaker, I beg to move, seconded by the Honourable Member for Gimli, that the report of the Committee be received.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The hour being 5:30, the House is now adjourned and will stand adjourned until 10:00 a.m. tomorrow morning. (Friday).