

THE LEGISLATIVE ASSEMBLY OF MANITOBA
10:00 o'clock, Tuesday June 10, 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 11 students, Grades 4 and 5 standing, of the Waterhen School. These students are under the direction of Miss Dyck. This school is located in the constituency of the Honourable Member for Ste. Rose.

And we have 23 students of Grade 6 standing, of the St. Alphonsus School, under the direction of Sister Loretta and Mrs. Bilic, from the constituency of Kildonan, my own constituency.

And we also have 64 students, Grade 4 standing, of the Oakbank School, under the direction of Mrs. Regalbuto and Mrs. Smythe. This school is located in the constituency of the Honourable Member for Springfield, the Minister of Tourism and Recreation.

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

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees. The Honourable Member for Radisson.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I beg to present the Fifth Report of the Standing Committee on Economic Development.

MR. CLERK: Your committee met on Tuesday, June 3rd, and Monday, June 9, 1975, to consider the Annual Reports of the Communities Economic Development Fund; A. E. McKenzie Seed Co. Ltd. and subsidiary companies, and the Leaf Rapids Development Corporation.

Messrs. J. Loxley, W. Parasiuk and R.A. Clement, Q.C., officers of the companies and the Fund provided information as desired by members of the Committee with respect to the Annual Reports and current operations.

The Annual Reports of the Communities Economic Development Fund, A. E. McKenzie Seed Co. Ltd. and subsidiary companies, and the Leaf Rapids Development Corporation were adopted by the Committee.

MR. SPEAKER: The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, I move seconded by the Honourable Member for Flin Flon that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills; Questions; Orders of the Day. The Honourable House Leader.

ORDERS OF THE DAY - GOVERNMENT BILLS

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I would like to proceed with such third readings as will proceed without . . .

MR. SPEAKER: Third readings. Bill No. 40. The Honourable Leader of the Opposition.

MR. GREEN: No, excuse me, Mr. Speaker. I'm talking about third readings as on Page 2, starting with Bill No. 2.

MR. SPEAKER: Thank you.

THIRD READINGS

BILLS NOS. 2, 3, 6, 8, 13, 14 and 15, were each read a third time and passed.

BILL NO. 17 - THE DEVELOPMENT CORPORATION ACT

MR. GREEN presented Bill No. 17, An Act to amend The Development Corporation Act, for third reading.

MOTION presented.

MR. SPEAKER: Order please. The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, there's no way that this side will agree to the approval of passing this bill. Each session, I guess, of the Legislature is highlighted by - each session has its own character and is highlighted by certain matters that are brought to public attention, or come to light, or substantiate positions taken in the past or concerns expressed by members in this Chamber or by the people of the province.

This session has been highlighted, I think, by an exposure of the Manitoba Development Corporation, and I say that because in dealing with this particular Act, one has to review as well what has taken place before the Standing Committee of the Legislature dealing with Economic Development, when the Chairman of the Manitoba Development Corporation appeared and when information was furnished concerning the many enterprises in which we're involved.

It's been our position, and still is our position, that the Development Corporation at this time should be wound down and wound up. It's been our position and still is our position that if the government is to become involved in either the major financing or major equity position, that it is necessary now, based on the experience of the past, for the government to come before the Legislature with an appropriate bill dealing with the specifics and asking for authority from this Legislature. We do not believe that the performance of the past period of time would justify the continuation of a Development Corporation which would have access to substantial money and basically be able to operate, not independently but under the control of the government, and really not accountable to this Legislature for its actions.

Now I say "really not accountable" because in effect it is not accountable. The Board of Directors are accountable to the Minister. They come before the Legislature through the chairman, who provides the information, and whether the information is accurate or not, that's the information we get, and the public and the people of Manitoba must accept that information and must accept that that information is accountability. We have already demonstrated that a fair amount of the information furnished before the committee was misleading, inaccurate and, in some cases, you know, opposite to the actual facts. And yet . . . Well, Mr. Speaker, we have demonstrated in this session that the information supplied was inaccurate. The Chairman of the Manitoba Development Corporation said that no political considerations were involved in the issue of Saunders. And yet, Mr. Speaker, we furnished minutes of the Board of Directors meetings which stated specifically political and commercial considerations. And they were written in the minutes itself.

We have demonstrated in the case of Saunders in 1972 that, as of February, very optimistic projections were given; by April of 1972, by the Board's minutes, there was concern that those projections would not be realized, and the question of liquidation and winding up and placing the company in receivership was considered; that in May the cost to the people of Manitoba was determined, and as to the questioning of continuing on for another six or eight months, there is nothing in those minutes that would indicate any kind of information, report, projection, that would have justified another \$5 million being approved. When the Chairman of the Manitoba Development Corporation was asked how this came about, he said, "Well, I believe they must have had some information or I believe we must have relied on the first projections of February." Which by April they were questioning. And I suggest to you, Mr. Speaker, when the Chairman was asked, at the beginning of this session, whether political considerations were involved and he said no, when the chairman was asked whether the Board ever considered winding up or liquidation, or receivership and he said no, that that information was misleading and he knew it to be misleading. And I suggest, Mr. Speaker, that the whole question of accountability and the way in which the Manitoba Development Fund answers to the public is not served simply because of an appearance and because any information that's supplied is considered to be information which provides full accountability. If the information is inaccurate, if it does not state the facts correctly, if it misleads the committee, then I suggest to you we have accomplished nothing.

The performance of the government in equity involvement has been disastrous. The reality has been that the public have lost money and the government, because it's not prepared to admit a mistake, is continually in the process of covering up its actions. And the only way this can be done is by the infusion over and over again of new capital, and there must be some control, there must be some ability for the Legislature and the people to be able to tell the government specifically that this kind of activity cannot continue and that the full facts must be brought forward. And therefore the procedures we have now are not sufficient.

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(MR. SPIVAK cont'd)

We do not believe that the government should continually interfere in the private affairs of this province. The Development Corporation, as the Manitoba Development Fund, served a very important function in earlier years, and was responsible for much of the industrial development and manufacturing development in the period of the early 60's and the late 60's. Much has changed with respect to the financial position of this province and with the way in which capital is available for those enterprises that need expansion and need risk capital for support. The problem, of course, has been that the government basically stated a policy and altered the policy and became involved in that of equity involvement. It would seem to us that the performance and the continuation of this will in fact mean only that the public will be required to put more and more and more money into ventures which may, at the very best, be self-liquidating, but in all probability will continue to simply mean an additional capital investment with very small returns. And one has to measure in total the returns itself.

Now I'm aware that the members opposite will use a standard argument that has been advanced since 1969 with respect to the Development Corporation, and it's not very easy to sort of isolate what happened in the past with what happened in the last five years. But when we deal with the amending of the Development Corporation Act, we are dealing with the period of time of the NDP administration. We are judging the action of the NDP in handling public money. We are looking at their results and their performance, and the continuing liabilities of the people. And I suggest to you that the record is not a particularly good record. I suggest to you, as well, that when companies in which the government have equity have an unlimited call on the government for money, have realistically no concern that they have to operate in a disciplined way with respect to the hard-nosed decisions that must be made in normal business activity, that what you have is a general desire and enthusiasm for a project, but you do not have with it the realism that must come in trying to run an operation in such a way that it will either be profitable or break even, and will not, in the case of private enterprise, require more financing, or in the case of public enterprise require, as it has, a continual drain on the public. And a government who is committed, as the present government is, to equity participation, cannot take the political consequences of failure and therefore, when failure does occur, must do everything it possibly can to maneuver itself into a position that the failure is either hidden or is obscured or is not easily recognizable, for the simple reason that failure will be an acknowledgment that their political position is wrong. Thus in Flyer we had the same situation, and it's been clearly demonstrated that the government, given that situation, is not prepared, not prepared to acknowledge mistakes nor was it prepared to acknowledge mistakes in Saunders, and so we have a continual drain.

Now I guess, Mr. Speaker, one may say that there is a limit. At one point, the government will say, you know: "It's too much money. We can't go any farther. It's beyond reason. Aside from all the political implications that we may suffer, the fact is it is really beyond reason for us to demand that the public put up this money." We have not reached that point so far in the projects, but ultimately we will, and when that happens, we will have the rationalization by the politicians opposite of saying, you know, "Our advisers advised us. We should have considered it. It's because, you know, we were too considerate. We wanted it to happen because of the sincerity of the board, because of their general desire." I'm satisfied, Mr. Speaker, and I know that the members opposite will not be satisfied, that if the Board of Directors of the Manitoba Development Corporation were brought before the committee and were asked as to whether the considerations were political or commercial, they would say the considerations with respect to Saunders were political. I'm satisfied that the Board of Directors in connection with Flyer were brought before the committee and they were asked, "Did you believe that what you were doing and the way in which you were tendering was for the purpose of making profit?" they would say, "We did not believe that, We did not know that it would be making a profit. We basically tendered on the basis that what we were doing would be less than the tenders we were going against in the hope that we would get business, and somehow or other this would work out." And I'm satisfied, Mr. Speaker, that those answers would, if they were available in committee, would essentially point out the weakness of the government continuing in business.

So therefore our suggestion is a very simple one: Wind down the MDC and wind it up. Come before the Legislature for any specific major undertaking in which financing is to be

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(MR. SPIVAK cont'd) required or an equity is to be required, and do this by way of a private bill. We have this in connection with the Telephone System, and we have a very good example with respect to the data centre in what they are intending to do. The capital authority, the request would be by way of bill and would give us an opportunity to be able to deal with the particular matter with all the facts on the table.

Thirdly, what is required, Mr. Speaker, in addition to a proper accounting procedure undertaken by the Provincial Auditor so that the financial statement could be presented to the House on an annual basis, is a requirement that there be a management audit independent of an accounting audit; and that management audit would of necessity be required to report to the Board of Directors of the company involved the information that its management audit would determine, and it would also present an accurate, proper report to the committee, not coloured by the political considerations of the moment, and the management audit would deal with a number of things. 1. It would deal with the kinds of projections that have been given for the various enterprises to the board itself. It would indicate, as a result of the experience, whether those projections were correct or not. It would indicate whether there was a real substantial basis for those projections based on the performance, and it would provide an obligation on the part of the Board of Directors to answer to somebody - because they're not answering to anybody for their actions.

Now I want to make this very clear. The Board of Directors are answering to nobody except to the Minister, and that's no answer at all, because the Minister is a political person who at this particular time is concerned about the policy determinations of the government, and the policy determination is the involvement of government in the business affairs of this province and therefore is not going to be prepared to provide the proper information.

So, Mr. Speaker, I say this to you. Each session is marked by a number of things that give it its own character. This session has been marked by the exposure of the government with respect to its equity participation, and particularly by its failure to properly account for Saunders and for Flyer. It has not provided accurate information. The information has been misleading. The interim report of Stevenson-Kellogg - and there's interesting aspects to that - which furnished a substantial amount of information, which indicated what the loss was of the company with respect to Flyer, which indicated as well the management difficulties, which indicated that the pricing was not correct, which indicated that in effect the company was not organized in a proper way, has not just given credibility to the fact that it was management problems, but has given credibility to the fact that those management problems were known much earlier than announced by the government and that very little was done and, in effect, the costs to the people of Manitoba will be substantial.

When the Chairman of the Manitoba Development Corporation stated - and I say this and I know the Minister of Mines and Natural Resources is going to object to this but he objected to it before, but it is contained in the Hansard - when he stated that when they tendered after the strike on the last order that they did not know what their costs were, then I say to you that we're in one hell of a mess that the public should now be supplying buses on a contract when the Chairman says that he doesn't know what the cost is at the time of tendering. I mean, that's not a way to run a business. And the failure in this specific area, as the continual failure to account properly, will simply mean that the public in Manitoba are going to be dunned over and over again.

So, again, we can't approve the expansion of the Development Corporation Act. We want it wound down and wound up.

MR. SPEAKER: Is it the pleasure of the House to adopt the motion? The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, I think this is the appropriate time to rephrase some of the basic positions we've taken with respect to the Manitoba Development Corporation dealing with the third reading of a bill which is going to amend the Act and I expect a bill which is presented in the hope that some of the problems that are apparent . . . --(Interjection)--

MR. SPEAKER: Order please. The Honourable First Minister state his point of order.

HON. EDWARD SCHREYER (Premier) (Rossmere): Yes, my point of order is merely to inquire so there's no doubt in a future circumstance. Once the Ayes and Nays have been called as to whether or not, and others --(Interjection)--the Ayes and Nays were called, sir. I am merely asking for information so that there can be no doubt at a future time.

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MR. SPEAKER: I was in the process of calling the Ayes and Nays. I didn't get completed before the honourable member stood up. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, if I may continue, I think it's an appropriate time to consider the whole history of the Manitoba Development Corporation because the government is presenting a bill which in some way they hope will overcome the problems that are besetting this corporation, and apparently the intent of the bill is to relieve them of the necessity of being a lender of last resort and that perhaps this will enable them to show some better performance in the future.

Mr. Speaker, I don't think that the major problems of the Devel. really related to the stipulation that they should be a lender of last resort. I think we can associate and connect most of the problems with the assumption of a dual function by the Manitoba Development Corporation when they have attempted to be not only a lender of last resort but an investor, and it would appear in the nature of their investments that they also are investments of last resort.

Mr. Speaker, it appears pretty obvious now that it's an impossible dual role to perform. The Manitoba Development Corporation began as the Manitoba Development Fund and seemed to perform a function that was useful in bringing additional industry to our province, but once the idea of using this corporation to involve the government in the business of the province became not a secondary function but apparently almost a major function, then the troubles began to multiply, Mr. Speaker.

I'm concerned that the desire of the present administration to involve the taxpayers of Manitoba in business and industry of the province is going to turn the work of this Legislature more and more into the kind of corporate annual meeting discussions that take place in other board rooms of the country. It would appear to me that we're in the process of reaching that stage, and if one has attended many of the recent meetings of the Standing Committee on Economic Development they very much resemble an annual meeting of stockholders, which in effect really, Mr. Speaker, they are, because we in Opposition are attempting to represent the stockholders in the Province of Manitoba and to bring those matters to the attention of the government and to the attention of all the people in Manitoba that we feel are being improperly handled and the way in which the taxpayers' money is being used in such a casual and detached manner by the Manitoba Development Corporation and the people who are concerned with the direction of that policy.

Mr. Speaker, one has only to listen to the evidence given by the Chairman of the Manitoba Development Corporation to realize that his concerns are not really as deep or as intense as they should be for one who is handling the amount of money that is being handled by this corporation. We had the experience the other evening of questioning the Chairman of the Manitoba Development Corporation on the reason for a forecast on Saunders Aircraft certification approvals being at least a year and perhaps more than one year out, when a forecast was made a year ago that the new model would be certified by the late fall, we suddenly discovered that it wasn't this fall but the next fall. And, Mr. Speaker, this occurred because apparently there was a lack of knowledge of the aviation industry in the directors and the chairman of the Manitoba Development Corporation, so that a basic fact involving the certification of the airplane had not been communicated or had not been fully understood by the Chairman of the Manitoba Development Corporation.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, on a point of privilege. That is not what the chairman said the reason for the delay was. The chairman indicated that the new plane was to come off the production line at the same time as the flight tests on the old were to be completed, and therefore that point, although he did not know it, was not the reason for a year's delay in the certification.

MR. MCGILL: Mr. Speaker, it is a question of interpreting the answers given by the Chairman of the Manitoba Development Corporation. And it was during the discussion of the forecast and the reason for the differences which were now becoming apparent, that it became apparent that the chairman did not understand that the certification tests required not only the prototype airplane but an airplane coming off the production line.

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MR. GREEN: That was to come off the line at the same time. And we told you that.

MR. MCGILL: Mr. Speaker, I think that the Minister of Mines and Resources is about to enter this debate, but I hope that he can refrain from entering the debate until I have completed my remarks at least.

MR. GREEN: On a point of privilege.

MR. SPEAKER: The Honourable Minister of Mines state his matter of privilege?

MR. GREEN: On a point of privilege, Mr. Speaker, the honourable member knows full well that I am not able to enter the debate and that does not give license to the honourable member to state an incorrect position taken by the Chairman of the Manitoba Development Corporation. The Manitoba Development Corporation Chairman indicated that the new plane was coming off the line at the same time as the test flights on the other plane were being completed. The honourable member knows that full well and to now state it incorrectly knowing that I cannot enter the debate is a misuse of the privileges of the House.

MR. SPEAKER: The Honourable Member for Morris. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, while the Minister responsible for the Manitoba Development Corporation may be prevented technically from entering this debate, as my colleague has stated, he is achieving some participation in the debate in a manner that is perhaps not a regular one but certainly is customary, yes.

Mr. Speaker, whatever the Minister may say, it came out quite clearly to me that there either was a lack of information on the part of the Chairman of the Manitoba Development Corporation or a misunderstanding on his part, because he admitted at the meeting that he was not sure whether he knew or not that not only was the prototype required to complete the test but that another production line airplane would be necessary before final certification could be achieved.

So, Mr. Speaker, what we're talking about here is perhaps the addition of four or five million dollars more capital into Saunders Aircraft than was forecast to be required in order to put this plane on the market.

Mr. Speaker, I mention this particular instance because it is indicative of the kind of difficulty that people can get into when they are not really familiar with the industries with which they are dealing. And if we are to have the Province of Manitoba involving itself in a variety of technical productions of components and of various kinds of machinery we certainly need to have people who are fully aware and have full knowledge of the kind of business they're in.

Mr. Speaker, I see no great possibility of this difficulty being overcome by Bill 17 which is only going to remove the stipulation that it be a lender of last resort. I would much prefer to see the government recognizing and facing up to their basic problem that they cannot in a single corporation provide a dual function and perform it adequately and perform it efficiently. If any more proof is needed than the amount of proof that we have on the basis of the results that have been achieved to date, I don't know what it could be. Mr. Speaker, when a balance sheet becomes a difficult evidence, or a difficult kind of evidence to justify on the part of the corporation we switch then to social benefits. So how can we finally pin it down on what the real motives of the corporation are. Are they to make a success of the businesses in terms of a reasonably break even or profitable balance sheet position, or are we to accept that this is not the real intention of the corporation but merely to provide jobs no matter what the cost per job might be to the people of Manitoba?

Mr. Speaker, I do not wish to extend this debate. I think we have made our positions quite clear. This corporation has failed to do what we think it should be doing, we don't think that it justifies its continuance. If there is a function still to be performed by a lending institution then let's have it as a separate corporation entirely from any of the activities which this government may wish to undertake in extending the investments of the people of Manitoba into businesses in the province.

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 30 students of Grade 5 standing, of the St. Malo Elementary School, under the direction of Mrs. Gosselin. This school is located in the constituency of the Honourable Member for Emerson. On behalf of the honourable members, I welcome you here.

THIRD READINGS (cont'd) - BILL NO. 17 (cont'd)

MR. SPEAKER: Is it the pleasure of the House to adopt Bill No. 17?

MR. JORGENSEN: On division, Mr. Speaker.

MR. SPEAKER: On division? Agreed? So ordered.

BILLS NOS. 20 and 21

BILLS 20 and 21 were each read a third time and passed.

BILL NO. 22 - HORSE RACING REGULATION ACT

MR. THOMAS BARROW presented Bill No. 22, an Act to amend The Horse Racing Regulation Act, for third reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): Just a few words, Mr. Speaker, in regard to Bill 22, having spoken to the Minister and hopefully he lives up to his somewhat of a commitment, that at least he's taken the Breeder Award under review, and that the future will show that the Breeder Award allocation becomes a little more equal on the two classes of awards, namely the standard breeds and the thoroughbreds. As of today, it's showing quite a large favouritism towards the thoroughbreds and I really think, in the interests of all of Manitoba, if this could be split in a more equitable way it would satisfy Manitobans and racing fans more properly. Thank you.

QUESTION put, MOTION carried.

BILL NO. 31 - THE PUBLIC SERVANTS INSURANCE ACT

HON. MR. PAULLEY presented Bill No. 31, The Public Servants Insurance Act, for third reading.

MOTION presented.

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

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I just want to say a very few words on this Bill 31. The critic for the - the Honourable Member for Fort Garry is not here this morning and I thought it best I say a word or two on this particular bill. I think the Member for Fort Garry pretty well explained our position on second reading. We voted against this bill and we voted for the reason that the government are entering into another phase of insurance. This is a very good reason to vote against anything that the government brings forth, in my opinion. They already in the last six years have gone into hail insurance, covering risks on the farmers of Manitoba. They've gone into the Autopac business on a monopoly basis. The first of July they're entering into the general insurance business on a competitive basis, and in Bill 31 they're going into the group life insurance businesses, insuring public servants, when this bill gets Royal Assent.

Most of us realize that the public servants have been covered under the Canada Life Insurance Company contract. It's been with the government for many many years. It's operated very efficiently and effectively, and the public servants have been well protected. And the government, the government of the day, they think they can do things better. You know, it always amazes me, after being in committee last night, you know, and a company which operated very efficiently and very effectively and a man made over a million dollars in the seed business, A. E. McKenzie, a man who is well respected, and lo and behold, they thought that they could do it better, and we really heard the facts of life last night.

Now let's look at group life insurance. Let's look at group life insurance. The companies are having their troubles with protecting the people, and pensions and everything right today, because of inflation caused by government. And they're going into the very business when they should be staying out of it. Why would the government want to enter into group life? I would predict, Mr. Speaker, that this is only the first start, that they'll be covering all the New Democratic Party members - that will be the next stage. Whether it's compulsory or whether it's optional, I really don't know, but it will be the next stage. And so on down the line. And they'll be competing with all these great companies down Broadway and over here on Osborne Street, and they'll be driving them out of the province just like they drove the general insurance companies out of the province. They'll say they're not wanted. And one by one this will happen. One by one this will happen. Well I guess the only two occupations to be left undisturbed will be the lawyers and the undertakers. You can be sure of that. They're not going

BILL 31

(MR. McKELLAR cont'd) to touch those gentlemen because they'll still continue to operate without any government interference. No government interference. They'll be left.

But I want to get back to Bill 31. Bill 31. It makes my blood just churn up every time I see the government entering into business. I just get so worked up about this that I . . . --(Interjections)--I say to the Minister of Health - you know, we missed him last week. You know, it's a funny thing about this government. Every time we deal with bills, the Minister has got to take a week off. He's got to take a week off. He's got to take a holiday. But then he makes all the speeches the next week when he comes back; all the knowledge he got in Saskatchewan, he comes back and tells right from his seat. And this really kind of makes me wonder, you know. I always was told that when you're the government and the session was on, you stayed home and you did your job. You took your holidays after. Do you want to go to Switzerland? Do you want to go to Norway? You can do that after the session is over - not during the session.

MR. SPEAKER: The Honourable Minister have a point of order?

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): I think that I should inform my honourable friend that I wasn't on a holiday, but that I was at a conference of the Hospital Associations of Canada. It's not the same thing.

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

MR. McKELLAR: Well, maybe I was wrong, I'll withdraw the statement I made. But I've yet to hear a public statement of what the Minister did. He didn't give an account of himself yet, and until he gives an account of himself I consider he was on a holiday.

Well, we're going into group life insurance. We're going into the group life insurance business. We'll find out - we'll find out what this is going to cost. The only thing about life insurance is that it takes a little longer to find out, and many of you people won't be around when the fatal day comes. You won't be around. It usually takes about 10 to 20 years before you find the end result in group life. I can tell you from experience, that it's 10 to 20 years before you'll find out the end result. And it's going to be difficult unless you keep pouring in money to kind of supplement it. And I know what you're charging; you're charging about the lowest rates that anybody . . . I guess I have \$45,000 for \$302 a year. Where can you buy that in any other company? And we've been getting a good deal with Canada Life. We've been getting a good deal because it's a large volume of business. The teachers, the public servants, everybody with the Workers Compensation who are drawing - they're all covered under this former policy and under this policy. They've been getting good treatment - nothing wrong with it.

But the thing that concerns me and has concerned me in the past - another entry into the private business. And lo and behold, I wish the Minister of Agriculture had been there last night - and I don't think he was - to find out just how much money there is in packaged seeds and field seeds. He'd have got a lesson. I hope it tells him a fact of life when he goes out to Crocus Foods at Selkirk and cuts that ribbon, that he's sure causing the taxpayers a lot of money, the same as the Minister of Labour is costing us money when he goes into passing this bill.

So, Mr. Speaker, I'll just close. I know there's a lot of speeches that have to be made before we finish this session. But I just want to say on behalf of our caucus, we're very disappointed that you're going into this field, and I wish that rather than give this bill Royal Assent, bring it in by proclamation and bring it in in 1996 or somewhere in that. I think you'd do the people of Manitoba a real service if you laid it over for 21 years.

MR. SPEAKER: Is it the pleasure of the House to adopt a motion?

MR. JORGENSEN: On division, Mr. Speaker.

MR. SPEAKER: On division? Agreed? So ordered.

BILL 42

BILL 42 was read a third time and passed.

BILLS 26, 5 and 34

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Well, Mr. Speaker, there are still three bills at the top of the page. I don't know why they're in . . . oh, these are amended bills. I'm not certain, are there amendments to these bills or have they been amended in committee?

A MEMBER: Amended in committee.

MR. GREEN: All right. That's fine.

BILLS 26, 5 and 34 were each read a third time and passed.

SECOND READINGS

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Chairman, I wish to deal with Adjourned Debates on Second Readings, and I expressed to my honourable colleagues some urgency with regard to having these matters proceed, so . . . I notice that the Member for Souris-Killarney is in his seat and I gather that the Member for Morris would like me to call that bill. I would hope that we could proceed with some of these others - if we call that one first, that the other members will perhaps . . . Is the Leader of the Opposition ready to speak on Bill No. 37?

MR. SPIVAK: Stand.

MR. GREEN: Well, Mr. Speaker, perhaps for this morning, but I'm going to call it again this afternoon and we would like to proceed with this bill. That's fine. Bill No. 44.

BILL NO. 44 - THE PLANNING ACT

MR. SPEAKER: The Honourable Member for Souris-Killarney, Bill No. 44.

MR. McKELLAR: Mr. Speaker, I'll be very brief on Bill No. 44. My Leader is going to follow me here and I don't want to hold his thoughts up too long here on this matter, and anything I might say might be contradictory to what he might say. So if I don't say anything, I can't go wrong.

These bills that come out like Eaton's catalogue, you know, they always amaze me - 57 pages at the tail end of the session when everybody's having trouble trying to get a little bit of sleep, and we have trouble digesting our meals towards the tail end of the session let alone digest something like this. And it really amazes me with all the talk about the Minister - here's another Minister; he's going to junket it too this week. You know, it's amazing. We're dealing with these very important bills and here they go off to another part of Canada. Well, if there was a leadership convention on in the New Democratic Party, which there is, and some of the members were contesting the leadership, the national leadership, I could understand them travelling, but we've got another Minister which should be here to listen to the debate on this bill, because he considers this the most important document in his political career this session. But he's away in Toronto. And I don't know who the Acting Minister is over there; I can't see one of them around right now. I don't know where the Acting Minister is. But, you know, Mr. Speaker, this is wrong. This is wrong, because, after all, if they don't listen to what we have to say, we might as well sit down or go home to the farm. This is the way I look at it. And I consider this too important.

So why are we dealing with planning? Somebody said we haven't had a planning bill since 1916. Now maybe we haven't but we suggest that another year isn't going to hurt. But everybody says we've got to pass this bill. And this is the subject I want to talk on, Mr. Speaker. How important is it that we pass this bill this session? Is the world going to come to an end in the local municipalities around Brandon, around Winnipeg - it doesn't affect Winnipeg so it's . . . You know, is it going to come to an end? Are we going to have poor legislation like we had in the City of Winnipeg Act because we're in too big a rush, and come in next year with all the amendments, more amendments than we started with originally? Mr. Speaker, this is what you'll have. This is what we'll have if we get to deal with this bill this session. We'll have the very same thing as the City of Winnipeg Act and then the public got to live with it.

Mr. Speaker, with all the regulations that are going to have to be passed under this Planning Act, Bill 44, it will take at least three years, at the earliest, for the municipal men in the Province of Manitoba to understand what it's all about. Did you ever start to read this bill, Mr. Speaker - 57 pages - and find out just what's involved? The average person in the Province of Manitoba will not be able to hardly move if they go into a planning district, because of the fact you've got so much red tape and it all ends up on the Minister's desk. Everything has got to be approved by the Minister. Even the Planning District Board has got to be approved by the Minister. And that, in my opinion, is wrong. Let the local people out there decide. If the Minister disagrees, then, in the final analysis with the decision by the Local District Board,

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(MR. McKELLAR (cont'd) . . . that's one thing, but let the local people decide who they want on that District Board themselves.

And I want to relate a problem. About three years ago in Killarney a new board was set up on this Housing Renewal Corporation. The Town of Killarney were asked to present two or three names for that board and the government presented some names. One man that the Town of Killarney asked to be a representative of that board, his name was submitted, and do you know what, Mr. Speaker? They were told that if they didn't get that man off that board, or that name off, they wouldn't have any low rental housing. They wouldn't have any low rental housing. And this is an actual fact. So it boils down that the government appoints nearly all the people on the board here. I say, give the local people the right to decide who they want on the board, and if the government disagrees with the decision, then it goes to the Municipal Board, or is appealed somewhere, and they in turn decide the final decision. But it should be the local people who decide who's going to represent the municipalities in this given Planning District.

This is one thing that does concern me a great deal. We do have in our area - I think the Member for Brandon West mentioned it - a new planning area started in the general area of Brandon involving Cornwallis municipality, Elton municipality, Whitehead municipality, and now Oakland municipality has joined - the municipality in which I live. This is operating in a manner in which they set up their own guidelines and regulations, but the one thing as mentioned by the Member from Brandon West, City of Brandon is not involved in this planning area, and I agree that eventually the City of Brandon will have to be part and parcel of this whole planning area in that western area of Manitoba. One of our problems in that area at the present time is people avoiding high taxes in Brandon and coming out and buying a small acreage fifteen miles south of Brandon on a municipal type road that's hardly built up, some of them in the bush area there just northeast, a log cabin, and getting a few acres and establishing a home which they're very happy, but it has created some problems for school buses and also for the municipality building up the roads, several roads. And it has created a problem. Now I don't know what they're going to do about this, whether they're going to restrict people up to a quarter section or what they're going to do. But all these things take time, it doesn't happen overnight. And I would suggest to the government - and I wish the Minister would be here today - that we take time off between sessions so the municipal men can study it, the school boards can study it, all the ratepayers can study it, because it's going to cost them money - they're the most important ones, the ratepayers.

I would say that the next session we come back and we deal with this bill in an orderly fashion and we'll have all the amendments ready to go. But if you deal with this in the next week, which will have to have Royal Assent the next week - proclamation, pardon me, it means the same thing, only thing it's proclaimed at a later date but the bill is not changed - if we deal with this bill this session, third reading, we're going to be in trouble in Manitoba. I can't understand if we're going to have a planning bill why the whole province isn't involved. Northern Manitoba and the City of Winnipeg is not involved in this bill. That takes in at least 65 percent of the people, 70 percent of the people in the Province of Manitoba who are not involved in this Planning Act. And I say this is not right. If you're going to be involved in a provincial planning act, involve everybody. Have guidelines so they can all follow because, after all, you're going to have the same problem as they had around the Brandon area if you don't.

Mr. Speaker, there's been a lot of talk on this bill, of all the powers involved with the Minister and his direction that's going to be given. I did have the pleasure of listening to the Deputy Minister at Boissevain at an urban regional meeting this winter before the session started. He tried to explain this bill, but the problem with explaining it at that particular time, there was no bill printed and we're still up in the air. It was said there was very little discussion or questions asked because the problem was that nobody just knew what was involved in the regulations that are going to be involved in this bill. It's quite true that the municipal men weren't able to absorb it.

So we're being asked now to vote yes or no on a planning act, whether we're in favour of it or whether we're against it. What will it do for the Province of Manitoba? What will it do for the rural municipalities? What will it do for the towns and villages in our several areas that we represent in this Legislature? These are some of the questions that have to be asked and I hope the union of municipalities and the urban association and the school trustees and

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(MR. McKELLAR cont'd) . . . other interested groups will be here to present their facts to committee so we can make a better judgment on this particular bill.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: My colleague, the Honourable Member for Souris-Killarney, mentioned that this was one of a series of bills which is like an Eaton's catalogue. The comparison, I think, is not necessarily a good one because in the case of an Eaton's catalogue at least you know what the price is and secondly, if you don't like the goods, you can return them. That's been Eaton's policy. This is not true with respect to this bill.

Mr. Speaker, in dealing with this bill one has to look at this bill as part of a total package with respect to the whole social development and health policies of the government and the amount of legislation that has been delivered to us because, as I indicated yesterday in dealing with the District Health Service Boards, there is a common theme that one finds. That theme I suggested was bureaucratic centralism, but I think something more has to be said as we deal with this particular bill because it has to do with a definition of what democracy is all about. President Sukarno of Indonesia, in describing his authoritarian control of the country, stated that he was providing guided democracy for his country and in effect, Mr. Speaker, what this bill is all about and what the bills that we have had are all about is guided democracy by the New Democratic Party. And when one considers that terminology, when one looks at what has been said in the past by the government through its own White Papers, one then must become concerned and suggest that the intent which is always expressed of participation is really tempered by the belief by the members opposite that control must continue to divest in them.

Now yesterday, in dealing with the District Health Service Boards - and I must relate to another bill because I think there is a central theme - I quoted a paragraph from the White Paper on Health Policy, and I have to repeat it again because it applies so aptly to the present situation: "The development of a democratic structure is not a sentimental objective but the very guarantee that reform will have a bite to it and will create the indispensable economizing force, but the corollary of this is an interval of tutelage in which the composition of the embryonic board is subject to and even determined by close provincial review and in which care is taken to develop their expertise and capacity. Once solidly established, their composition can safely be left to the principle of democratic election, but if the boards are created instantly and given full authority, they are unlikely to be either competent or democratic." This is the guided democracy of the New Democratic Party and it's reflected in the bill itself.

Now, Mr. Speaker, this is not the first time that we've been confronted by a bill which is to provide a mechanism to implement a policy - and I'm now talking about the land use policy - which has not yet been declared. So far as the whole question of land use is concerned this bill has considerable implications, but we really don't have a clear land use policy from the government. Therefore, to the extent that this bill relates to land use, it's another classic example of putting the cart before the horse. But, Mr. Speaker, even if the land use policy was clear, we have further and more serious reservations about the bill.

So far as community development and planning are concerned, we agree and are in favour of maximizing local participation and local decision-making, both through the elected representatives and through the voluntary public participation of people in the area concerned. Some defenders of this bill would actually have us believe that this is what the bill would achieve. But, Mr. Speaker, the fact is that this bill moves in precisely the opposite direction. It gives to the local areas the mere trappings of decision-making and participation while moving resolutely in the direction of control from the center. It would be praising this bill, Mr. Speaker, to say it was an exercise in democratic socialism. It is in fact another sharp turn in the direction of bureaucratic centralism. Since no Minister can possibly hope to keep abreast of all the land use planning in the province, it is clear that extensive authority will be delegated to the planning board and the planning director, someone elected by no one, and they will become the effective decision-makers. Planning and zoning decisions will effectively under this Act be transferred from local government to a new provincial planning bureaucracy which this Act will spawn.

Our experience to date with centrally directed provincial planning provides new grounds for seeing this as an effective or truly democratic process. There's no reason to believe that

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(MR. SPIVAK cont'd) it will be an effective democratic process. If one looks at the provincial planning for Churchill and Leaf Rapids, the land use which was provided for in which there was supposed to be participation, there was really little more than token involvement at the local level. In Leaf Rapids, as an example, the land use and planning body didn't even have a local person on it. In both cases, the administrators and the advisory councils which were composed of elected people had not even seen the documents on which the development of their communities was based. And whatever may be true of northern communities, in southern rural Manitoba there is even a more widespread concern - and it's been expressed by the members of this side - that this government is out to take over and eliminate as much local government and private activity as it can. Mr. Speaker, that concern is legitimate, as reinforced by virtually all the experience rural Manitobans have had with this present government, for the pattern is a consistent one of removing decision-making from local communities and vesting it in a Minister or his officials or in government appointed boards. That approach is at work in this bill. One only has to read the definition section to find that the approving authority, which is central to this Act, is to be the Minister, or the director of a local board of a local board itself. Well no one is fooled by this kind of thing, for what this means in practice is that the local board will ultimately be able to consider what the Minister and the bureaucracy want them to consider and to decide what the Minister and the bureaucracy want decided.

Now I know it will be objected by the members opposite that what is being intended is greater citizen control and reduced bureaucratic controls, but on the evidence of this bill and of the existing bureaucratic jungle, such a claim is nonsense. The province already possesses an incredible, almost a horrendous local government planning establishment. Consider, Mr. Speaker, what that consists of. We have a component of it in the Planning Secretariat, we have another component of it in the Manitoba Housing Renewal Corporation with respect to land banking; we have the planning section of the Department of Municipal Affairs; we have the land buying policy of the Manitoba Agricultural Credit Corporation, and the land ownership exercised through the Department of Mines and Natural Resources, and we have the planners and the lawyers and the social scientists involved in Churchill, Leaf Rapids and so on. To this empire, Mr. Speaker, this Act proposes to add a Director of Planning, without so far as we can see, diminishing or dispensing with any of the others. If we do nothing else with this bill, Mr. Speaker, we should consider amending it so that the Director of Planning is at least known as the czar of all Manitoba planners. For that is really what he will be.

This bill as it presently stands will have several consequences which we find quite unacceptable. It may and therefore, almost certainly will have the effect of vesting new planning power in the Minister or his bureaucrats. We think this is wrong in principle and in practice. Secondly, under the smokescreen of the so-called representative democracy, more decisions affecting more citizens are going to be made by more bureaucrats than every before. And since there will be the appearance of public involvement, real public scrutiny will likely be decreased rather than the reverse. Thirdly, the involvement of provincial planners and local and use planning may provide a field day for planners, for students, for theorists, and thinkers of all kinds, but what will happen to the people in the environment upon which these locusts descend is pretty clear. Though the Act provides for consultation with municipalities, that consultation has the makings of a tragic joke. If the municipalities go along with what the bureaucrats want, then all will be well. But does anyone seriously think that the consultation will matter if the municipalities want to go in some direction different from their bureaucratic masters in Winnipeg? Does this Act spell out who will prevail if the consultation procedure fails to produce an agreement?

We can imagine, Mr. Speaker, that this bill was drafted by the lawyers and planners and that it will find support among many of them. We should like to know, however, which municipalities were consulted and by what means. Which municipal officials were consulted and what were their views? Which local government specialists were consulted and what were their views? What White Paper and what evaluation of the social and environmental impact preceding the drafting of this bill was really undertaken? Now, if the answers to these questions are what I suspect them to be, they would simply reinforce the central criticism of the bill itself - that it is misleading the people it is intended to serve.

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(MR. SPIVAK cont'd)

Mr. Speaker, the pattern of the NDP is always to relegate the people to an advisory status with the provincial bureaucracy being the real decision-makers. Bureaucratic centralism and assigning people advisory roles works against every tenet of local government that is woven into the fabric of the province's local government structure, and it really stifles, Mr. Speaker, rather than stimulates local participation.

Now, even now the Honourable Member for St. John's admits - and he admitted this a few weeks ago - his great disappointment at the apathy that Unicity has created among the citizens. This, I suggest, is an inevitable consequence of trying to relegate citizens to advisory roles. Mr. Speaker, we submit that the Act in its present form is an insult to the people of this province, because the people are being told that they shall advise, but not decide; that they shall be consulted, but not determine. Mr. Speaker, this is really an elitist view and this Act will help place Manitoba in the grand tradition of administrative and bureaucratic centralism found in many authoritarian societies. It is, Mr. Speaker, an exercise in guided democracy. We need planning, we need policy, we need a land use policy, we need direction, but, Mr. Speaker, we do not need this Act in its present form.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY EINARSON (Rock Lake): Mr. Speaker, I beg to move, seconded by the Honourable Member from Roblin, that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: Almost lost the motion. The member moved out of his chair. Bill No. 58. The Honourable Member for Brandon West.

BILL NO. 58 - AN ACT TO AMEND THE PUBLIC SCHOOLS ACT

MR. MCGILL: Thank you, Mr. Speaker. Bill No. 58, an Act to amend the Public Schools Act was introduced I think on Friday by the Minister of Education. I would like to thank him for making available to me his speaking notes on the bill.

Mr. Speaker, it's a bill that, as this Minister has said, covers a number of areas where changes were necessary and where changes could not await the general revision of the Public Schools Act which is I understand in the hands of a committee at the moment, and as the Minister has pointed out when the committee has completed its work there will be a complete revision of the Public Schools Act, and presumably this would occur during the next session of the Legislature.

Mr. Speaker, this kind of a bill because it is a collection of a series of amendments to particular parts of the Act, presents somewhat of a challenge in second reading because it's difficult to comment on the various changes proposed without falling into the trap of identifying certain sections specifically. Mr. Speaker, with your indulgence I'll attempt to go through a few of the proposed changes without falling into the error of specifically mentioning the clauses in the Act or in this bill.

Many of the changes which are proposed I think we will find acceptable on this side. One which relates to the agreements with the Council of a municipality for the purpose of construction and maintenance of recreational facilities on properties owned by the School Division and for the joint use of those facilities. Perhaps, Mr. Speaker, the Minister should consider broadening somewhat the terms here and considering perhaps the addition of the words after recreational "and other", so that it might read "maintenance of recreational and other facilities on property owned by the school division for the joint use of these facilities."

Mr. Speaker, there is another change proposed in respect to the broadening of the specifics of part of the Public Schools Act which relates to the liability of the school board in respect to injuries which might occur in the taking of technical and vocational instruction by students. I think that generally speaking the proposal that is given to us here would be acceptable.

In another area of the Act, Mr. Speaker, there is a proposal to eliminate one of the requirements that has been in the Act for a considerable length of time relating to the employment of relatives of school board members as teachers in the various school board divisions. And as the Minister has pointed out, the referral of such appointments when they are considered to the Minister perhaps is becoming a little bit difficult since the Minister is not in touch with local situations and would find it difficult to judge the merits in each instance.

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(MR. MCGILL cont'd) So that the elimination of the referral of the matter to the Minister is probably a reasonable change.

But, Mr. Speaker, there is still some need for care in this matter and we would suggest that perhaps the change be amended to read "engage the required number of legally qualified teachers for the district", which is the same as the present reading, "of whom none shall be the son, daughter, brother, sister, husband or wife of a Trustee of the district, unless with the unanimous approval of the whole board". Mr. Speaker, this would change what is proposed by this bill, it would eliminate the necessity to refer the matter to the Minister, but in matters where there is a family connection between trustees and teachers then by having the approval of the whole school board it might be a better way in which to prevent any difficulty from arising.

I think, Mr. Speaker, that there is need to be cautious here and not to perhaps eliminate all controls in respect to this matter. I think it's particularly timely that this matter be considered because we're in the process in this session of the Legislature of considering a bill which would relate to conflict of interest. Mr. Speaker, in my view to eliminate completely any referral or need for consideration in a special way of these matters would be in a sense going contrary, at cross purposes to the conflict of interest legislation.

I would suggest that there is a circumstance which needs to be controlled and while it might be unusual I think it could happen at any time. I suggest that there might be a situation where the wife of a school teacher would be a school trustee. They form a single economic unit and the salary of the school teacher, the husband, is the principal source of revenue for the family. The wife might find herself in the position of being party to arbitration proceedings - I'm sorry, not arbitration but rather salary negotiation proceedings - and conceivably, Mr. Speaker, she might be the chairman of the negotiating committee in respect to the deliberations which would ultimately decide the amount of salary which her husband would receive. Mr. Speaker, that's a conceivable situation and one which clearly there would be a conflict of interest. So I would think that it would be inappropriate at this time in our consideration of other matters relating to conflict of interest that controls should be removed in this area. I think there's need to be a continuing review of the dangers that are associated with - or not the dangers so much but really a position which places a school trustee in a conflict position with respect to her own positions.

Mr. Speaker, in another part of the Act it has to deal with establishing the first meeting of a school board following a regular election which is to be held on the 14th day after the 4th Wednesday in October in the year of the election and so on, at an hour to be established by the Secretary-Treasurer. Mr. Speaker, I think that this tends to clarify the situation here which has, because of a number of other changes, become somewhat clouded, but I would suggest to the Minister that maybe in repealing this particular part of the Act they have overlooked another part of the Act which - and if I could refer to it specifically in the original Act as 128(2) has to do with the first meeting of school boards, and perhaps that should be repealed at the same time as the other section is repealed.

Well, Mr. Speaker, that leaves us really with some of the major changes that are going to be affected by this bill and they relate to the regulations in respect to the provisions that school boards are going to be required to make for a pupil to attend a school in another school division. And in the first part of that change we note that "every school board shall make provision for a pupil." Mr. Speaker, I point out that there is not very clear definition of the word "make provision" and there are a number of questions that might be asked about what the Minister means by "make provision" for a student attending a school in another division. Does "make provision" include transportation costs or room and board? If the school is required to make those provisions it would be necessary I think to be a little more specific about this point. And if the school division is sending a student to another division for a program not provided we should have some definition of what "program" means. Does it mean a single subject or is it the whole year's work of the student? Certainly unless we have some clearer meaning to that word "program" I think the school boards would not be certain whether or not they needed to supply additional teachers, and there are other matters which arise relating to this intended change. Whether a school board has the right to refuse to accept a student from another division if they do not have the accommodation. Or could a school board abuse this section by discontinuing options and sending the student to another division?

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(MR. MCGILL cont'd)

These are matters, Mr. Speaker, which perhaps the Minister in closing debate could be a little more specific on and maybe the wording of the proposed amendments could be revised to make it clearer just what the responsibilities are. Making provision in my view is not a very definitive phrase and should certainly be spelled out and a program for a student might represent a single subject or might represent a whole year's syllabus for him.

Mr. Speaker, finally in the last part of the Act this one is I think one that will require most careful consideration by the Minister before it is made effective or mandatory, as the phrase has been used. He points out in his remarks that it's not intended to proclaim this section until the full financial impact of the clause to the divisions is understood and some arrangements have been made to meet these additional charges.

Mr. Speaker, there are more questions arising than merely financial ones in respect to this proposal by the Minister that "every school board shall provide or make provision for the education of all resident persons who have the right to attend school and who require special programs for their education." This could mean, Mr. Speaker, that a school division such as Brandon which has about 8,000 pupils would have to set up a special course, a special lab for children who are deaf, and they've done a survey and they find out that there are possibly three and more likely two students who would fall in the category of having to have this very special training.

Mr. Speaker, if this becomes law it will have the effect of requiring the school division to set this up and to obtain very highly skilled and special teachers for overcoming this difficulty of lack of hearing. In the case of students who are blind it would mean another complete set of special teaching aids and special instruction. I would suggest that if this particular section is proceeded with it will have the effect of in many instances lowering the quality of the education available to students who are to be taken care of in their local divisions rather than sent to the Manitoba School for the Deaf, or to Brantford to the School for the Blind, or to the St. Amant Ward, or the Portage la Prairie Home for the Retarded. We might end up with a very expensive kind of training which would not be in quality as good as that which is available in those institutions which were established for those specific defects. And in fact, Mr. Speaker, in spending a great deal more money provide somewhat lower quality of education for those who are concerned.

Mr. Speaker, I think this particular section should be deleted from the bill at this stage. It has idealistically very good intentions I'm sure, but in practical terms I'm not at all convinced, in fact I tend to feel that we would be doing some of the handicapped children rather a disservice by insisting on this extension of very special kinds of teaching aids and teaching skills to a variety of school divisions. I think there would probably be great difficulty, assuming financial ability, of obtaining the kind of skilled teachers for these areas that this section would require. And while I have quoted from one specific division, a rather large one but not of course by any means the largest of the province, and they have already done some surveys and they find such a very small number of handicapped students in these particular areas, they really question whether we are going in the right direction by providing a mandatory clause in the Act that every school board "shall make provision" for these handicapped children.

So, Mr. Speaker, these are the main areas in which we have concerns for Bill 58. I have not mentioned a number of the changes that the Minister proposed. Some of them are very acceptable, others, as we have stated, we have some serious reservations on, and the final provision - very strong reservations in respect to the wisdom of proceeding at this time with this change.

MR. SPEAKER: The Honourable Minister for Education, shall be closing debate.

HON. BEN HANUSCHAK (Minister of Education)(Burrows): Yes, Mr. Speaker, I'll be closing debate on second reading. I wish to thank the Honourable Member for Brandon West for his comments, his contribution to the debate on second reading of this bill. There were two suggestions that he made, one dealing with the matter of municipal school division agreements for the construction and maintenance of recreation facilities on school division property and for their joint use, and the other dealing with the matter of employment of close relatives of school trustees, which presently, Mr. Speaker, requires the approval of the Minister of Education, and the bill would put the onus for that decision back in the hands of the board, and it was the honourable member's suggestion on the first point that the use be broadened to extend beyond recreational and to include whatever uses a school division and municipality may have,

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MR. HANUSCHAK cont'd) and on the other, on the question of employment, that it be by unanimous approval of the board.

Both suggestions, Mr. Speaker, are such that I would like to consider; and no doubt at Law Amendments Committee there may be representations from the Association of School Trustees and other interested parties. My present information is that the school trustees would like to see the section dealing with construction and joint use of property broadened to include purposes other than recreational, because it's quite conceivable that in some jurisdictions there may be justification for joint use of buildings for municipal school division vehicle maintenance, storage, perhaps library facilities, administrative offices, as is the practice now in a number of localities, perhaps not on a joint use basis but where one is a landlord and the other is the tenant, as it were, and some may prefer to enter into a joint ownership and use maintenance operation. So I would be most interested in taking that suggestion under advisement and giving it consideration when the bill goes to Law Amendments Committee.

Similarly, with respect to the matter of employment of close relatives of school trustees, it, too, is a matter that I'd be quite willing to take under advisement. Here, again, my information at the present time is, Mr. Speaker, that the Association of School Trustees would prefer it that way, that they'd be quite willing to recommend to their members that they assume this responsibility - that is to say that, in the event of hiring a close relative of a school trustee or a relative as presently defined within the relevant section of the Act - and that, I believe, includes wife, husband, sister, daughter, son, brother, I believe it covers those - that the Trustees Association is recommending to their members that such individuals be hired, or individuals who may fall within that category be hired only with the unanimous approval of the board.

In the portion of the bill dealing with the election of chairman and vice-chairman, dates for first meeting, term of office and so forth, there was a suggestion that if a further amendment not be made that this may create a conflict or some ambiguity. I will take a look at that. My impression is that the honourable member is quite correct in drawing this matter to my attention, but I would want to have this checked out with my staff, that maybe there's some other justification for it. But if there was a conflict, then that conflict has to be resolved either by the repeal of the section referred to by the honourable member or, if there's need to retain that section for whatever other purpose in the Act, then the section in this bill would have to be amended appropriately to avoid any conflict or ambiguity.

Then the portion of the bill dealing with the matter of the right of pupils to attend school in another division, this is one of those sections, Mr. Speaker, you know, where you're damned if you do and you're damned if you don't. The way the legislation reads at the present time, in essence it says that every pupil in a school division has the right to attend school in another school division for the purpose of receiving instruction and special education, vocational education, or in other special education programs that are not available in the pupil's home division. Those areas of instruction are always in a state of flux; there's always change coming about, and there is no precise definition of what constitutes a special education program even today. And the way the Act presently reads, it gives every pupil the right to attend in another school division. And that, Mr. Speaker, had created problems, because it also brought up another question.

You see, the Act says, you know, to enrol in programs - in most programs that I have listed - not available in the pupil's home division. Well, it raised the question, what does that mean - the phrase "not available in a pupil's home division"? Does it mean that that type of program isn't offered at all, or does this also enable a student who, or his parents, may be dissatisfied with the quality of the program in his division, in his home division? And we've had that happen. We've had that happen in an occupational entrance program where there was a program being offered in the school division within which the pupil resided, and the parents wanted to enrol that pupil in another school division. The receiving school division said, well, yes, we can accept this pupil and the residual cost is - whatever it was. But the home school division of the pupil said, "We won't pay, because we offer that type of a program ourselves." But the parents said, "Well, you may call it that, but it isn't that type of program in my opinion. It's not nearly as good as the one offered in another school division. So, as far as I'm concerned, you don't offer that type of program regardless of what you call it. I

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(MR. HANUSCHAK cont'd) regard the program being offered in a neighbouring school division as the one that I want my child enrolled, and for all intents and purposes, you don't offer it. You don't offer anything comparable or similar to it."

The matter came to me, and the way the legislation presently reads, and if the honourable member would check it he would find that really my hands were tied on that particular section, because the only power that a Minister of Education has under that particular section of the Act is in the event of a dispute as to what constitutes residual costs, and that shall be determined by the Minister, and his determination is final and binding. So I can only resolve a dispute on the question of residual costs, but I could not deal with the question as to whether or not there in fact is not a certain type of program available in the home school division of a pupil or whether whatever student wishes to enrol in another school division does, in fact, fall within the provisions of the Act.

So what is attempted to be done here, Mr. Speaker, is some attempt to resolve the present bind that not only I and my department, but school divisions find themselves in. And I fully agree that the way the section presently reads, it does raise a number of questions, the answers to which are not provided within the section, in particular the definition of, you know, what constitutes a program and so forth. But this was the reason why, Mr. Speaker, it was written into the Act, the reference to regulations made under the Education Department Act. And it was the hope and intention, Mr. Speaker, that my department and the trustees and teachers would be able to sit down and go to work on this section and come up with regulations related to this particular section that would define a program, that would also deal with the matter of availability of accommodation in the receiving school division, that would also clarify any questions that may be related to the question of residual costs, and any other matter related to this particular section. So that was why the reference to regulations that are anticipated to be drafted, related to this particular section - which would answer the questions raised by the Honourable Member for Brandon West.

Now, the mandatory legislation, Mr. Speaker. As the honourable member indicated, and I believe the trustees would echo his reaction to this section, that everyone agrees that this is the direction in which we ought to move. But there are services necessary for various students which presently are not met, and this is the reason why I stressed the point, on introducing this bill for second reading, that this section of the bill will not be proclaimed, will not become law on Royal Assent, but that it will come into effect upon proclamation at a later date. But I do want to not only give the school trustees notice, but there are other groups, many parents and many others in our society, who are extremely interested in what is being done in this regard. I want to indicate to them that we are continuing working in this direction to develop a program that could be delivered on a much broader basis.

You know, in recent years, we've seen a change in the general attitude toward training programs for the handicapped. There's a shift away from the institutionally-based training program to a program that could be provided within the child's own home community, within his own home environment. Well, if that's to be done, then we will have to deal with matters such as cost implications, we will have to determine the level of need in the various parts of the province, and we'll also have to address ourselves to the manner of delivery of such programs, because the honourable member is quite correct that the cost may be prohibitive to attempt to deliver a traditional type of program for whatever category of student we may be dealing with, to deliver the type of program that presently is being offered, wherever it may be offered, for the deaf, the Manitoba School for the Deaf, for the blind at Brantford, and for children suffering from other handicaps at other institutions. But to bring the program more within reach of all the Province of Manitoba, we will also have to consider alternative methods of delivery of programs for the handicapped.

As a matter of fact, the honourable member may know that the school division within which his constituency is located, is presently involved in that very type of program where they have, I believe, it's two handicapped children in a regular classroom setting working with the assistance of a para-professional to assist the pupils and the teacher, of course, in the handling of these children. The program is relatively young - you know, it's too early a point in time to pass judgment on it, but at any rate, whatever interim reports are being received seem to indicate that it has signs of becoming a successful one, and one that other school divisions may wish to duplicate elsewhere, wherever there may be need and the feasibility for the provision of such a program. But these are the types of things that have to be evaluated, have

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(MR. HANUSCHAK cont'd)to be done, have to be assessed - and hence the inclusion of this section in the bill.

And I would also want to indicate to the honourable member that the very phraseology of the section would have to be refined. I don't think - and as the honourable member had indicated that idealistically, we can all agree, but the phraseology of it does need further refinement, and I think that this refinement could be worked out through joint consultation between the teachers, trustees, and the Department of Education. Because, you know, when one says that everyone has the right to attend school, well, interpreted literally, it would in fact mean, you know, every person; but the present Public Schools Act does give the school division the right to exclude certain individuals from school - I'm sorry, not the Act, the regulations under the Act - because it's contained in regulations which give the school administration the power to suspend and the school boards the right to expel. Well, I don't believe that anyone for one moment would suggest that, you know, that this section should take precedence over that, because we all realize that in the best interests of all the school and the individuals concerned, it may be best if some students may, or some individuals - you know, they end up in a situation where it may be best for all concerned if they were to find some other meaningful form of activity, be it a job elsewhere or whatever, rather than continuing attending school. But with this section, the way it reads, I suppose one could go to a School Division office and say, you know, I'm not concerned about the fact that your board expelled my child, legislation says that everybody has the right to attend school and therefore I insist that you place my child back in a desk in your school. So, there are matters of that kind that have to be resolved. But I think that the time has come that we must indicate to the community at large what the general intention is of this government. And the intention is to move in this direction on a co-operative basis, being mindful of the problems associated with attempting to deliver a program for which the level of need isn't all that high in terms of numbers of consumers. But also being mindful of the fact, Mr. Speaker, that some program has to be developed to assist the handicapped child wherever he may be, wherever he may live in this province. And also, Mr. Speaker, being mindful of the fact that I had alluded to within the past couple of minutes, not to have legislation written in such a way as to end up with a state of affairs where it's providing for something which we just did not envisage at this particular point in time and had no intention of providing for.

So the principle, Mr. Speaker, I would urge members of this committee that in supporting this bill they support the principle of mandatory legislation for the provision of an education program for all children, but on the understanding that it not come into force until the province and the school divisions are prepared to put it into force. And this may have to be on a gradual phased-in basis, because all school divisions may not be prepared at the same time to offer a meaningful program. So we may be looking at certain school divisions and gradually phasing this in. We may be looking at certain types of programs and gradually phasing them in on that basis. But we're well aware that this is not a step that we could take immediately upon Royal Assent or even come next September or within the next few months.

So with those words, Mr. Speaker, I would urge the support of the House to allow this bill to go to Law Amendments Committee and at that time there will be ample opportunity, I'm sure, to hear further representations from others interested in this bill.

QUESTION put MOTION carried.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Health and Social Development, Mr. Speaker do now leave the Chair, and the House resolve itself into a Committee of Supply.

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 - CIVIL SERVICE

MR. CHAIRMAN: I refer honourable members to Page 12 of their Estimate books. Resolution 29, Civil Service Commission. Salaries - pass? The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): Mr. Chairman, yesterday I was in the process of introducing these estimates when the hour of adjournment arrived and

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(MR. PAULLEY cont'd) I have one or two comments I would like to make of a broad nature before detailed consideration of the estimates are gone into.

I had mentioned earlier the fact that we were decentralizing our activities to some degree by the establishment of new facilities at Brandon and Thompson and one or two related matters. I want to indicate to members of the committee that this year the Civil Service Commission will be studying the feasibility of introducing a program designed to deal with government employees who have a problem either alcohol or drugs. This is in line, Mr. Chairman, with programs that are ongoing to some degree through Alcoholics Anonymous and through the Department of Corrections, but it has been felt advisable on a non-compulsory basis that we in the Civil Service Commission look into the effects of alcoholism within the Civil Service and to try and assist, where necessary, or desired, to assist individuals overcoming this problem, which of course has its direct adverse effect on the employment in the Civil Service due to absenteeism and personal losses.

In addition to that, Mr. Chairman, along the same general line, there is a trend today - maybe I'm no example really, but there is a trend today to lay more emphasis on physical fitness programs and training - and a considerable interest has been generated from various sources concerning the possibility of a physical fitness program, not just for the Civil Service, Mr. Chairman, but for MLA's as well. Suggestions have been made and experience has shown that improved physical fitness of employees results in increased productivity, decreased absenteeism and perhaps more importantly, decreased tension and anxiety.

The Civil Service Commission will be forming an in-house, interdepartmental committee to formulate plans for at least a small scale inexpensive program of physical activities. And should such an experiment reveal positive benefits to participants, further studies will be initiated to design and implement a more sophisticated and enduring program for all employees.

One of the more important activities of the Civil Service Commission, and I'm sure it's an item that is of great concern with all members of the House and inside the Civil Service as well as outside the service, is the question of Equal Employment Opportunities Program. Members may recall that back a year ago in January, the task force report on Equal Employment Opportunities in the Civil Service of Manitoba was released. Since then a co-ordinator, Lorna Leader Elias has been appointed by the Commission. Her task, sir, has been to co-ordinate programs for the implementation in line with the recommendations of the task force report. I may say in the estimates for the current fiscal year there has been an additional \$30,000 added to the operating expenses of the department to help finance the Equal Employment Opportunity Program. Approximately two-thirds of this amount will be for staff and the balance for publication, staff training and development.

There are a number of training programs in the personnel section. The Civil Service Commission in conjunction with other government departments has been designing a training program for government managers which will assist them in proving their skills in staff recruitment and selection. The workshop is expected to start very shortly.

One of the senior officers in the Civil Service Commission ranks, Mr. Bob Best, has been involved in this program and emphasis for the government managers program will be on interviewing methods, equal employment concepts and personnel policies and processes.

In the field of manpower training and personnel systems development, the Civil Service Commission expects to become more involved this year in a manpower planning role. It is suggested that any organization must reappraise on a continuing basis what it has in manpower strength and what it will need to fulfill its purposes and objectives. The process of reviewing demands for manpower, present and future, and relating that to the supply which is available after attrition, creates manpower needs which in turn affects the activities of training, development and recruitment.

I would suggest, Mr. Chairman, that with these brief opening remarks, that we may get into the detailed study of the estimates and I recommend full consideration to this important item. Although the expenditures for actual staff and internal expenses are relatively low, honourable members will notice in the overall picture an expenditure of about \$8.5 million that comes under the general jurisdiction of the Department of the Civil Service and the Minister responsible to this House, to answer for the Commission and the Civil Service. So with those brief remarks, Mr. Chairman, I welcome any comments my honourable friends in the House may have and I will be pleased, as much as I can, to give answers to any of the

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(MR. PAULLEY cont'd) questions being posed. And also, Mr. Chairman, I would like at this time to invite a couple of members of my staff to be with me.

MR. CHAIRMAN: Resolution 29(a). The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Chairman, the estimates that we are reviewing seem to be reasonably straightforward and certainly as you'll see, the major portion of the money to be allocated is for Civil Service Benefit Plans. So therefore, with your permission, I would like to take a moment or two to reply and possibly ask a few questions of the Minister.

First of all, he has given us a comprehensive report as to the activities of the Civil Service during the past 12 months and he did make mention of commendation for the services rendered by the civil service as a whole and I want to assure him that we on this side join in those commendations and appreciate everything that the civil service have done during the past 12 months. He did mention that the civil service have had their troubles, and you will recall that during the last session we on this side took up the cudgels in endeavouring to keep the civil service out of politics in many directions. That be as it may, I feel that the chickens have come home to roost, because so far as I know, it is the first time that the civil service as a body has marched on to this building and protested the lack of recognition that the government was giving them.

I wonder why the Minister with the authority of last year, has not carried forward the Civil Service Commission to seven? He said he had not got around to appointing, I believe he said four more. I'm sure the seven that is proposed and has been approved would do much to possibly settle the Civil Service down in their attitude in so many directions. He did mention that there were 1,400 competitions advertised. What surprised me, Mr. Chairman, is that there was some 23,000 applicants. I wonder what this tells us. Is the Civil Service turning into a reservoir for the unemployed? Is it the intention of the government to possibly dry up that number of applicants and thus take the cost of the civil service on the public purse to an even higher degree?

He informed the House of the decentralization of regional offices, one in Brandon and one in Thompson. I congratulate him on that effort, and there's no doubt that it will eliminate a lot of the bureaucracy that people are confronted with when they make application for Civil Service positions in distant points removed from the City of Winnipeg.

The Minister this morning mentioned the matter of alcoholism in the civil service and that efforts are being made to eliminate, or assist, the corrections and rehabilitation part of the government in eliminating this from the civil service. He talked of time lost. I wondered if he could give the committee some idea as to the number of man-days or man-hours lost because of this situation. I believe that the physical fitness program that is proposed will be well worthwhile. I don't know how he intends to get the MLA's into this program but I would wish him well.

He made no mention, Mr. Chairman, of any reviewing departmental operations toward the streamlining of the many departments in the interests of economy throughout the civil service. I wonder if he has any thoughts along those lines? And if he has, would he acquaint the House with it? I think this is very important because of the fact that the Civil Service, I understand now, is something in the neighbourhood of 13,000 - 15,000, and that seems to me to be rather top-heavy for the administration of the province.

We noticed lately, too, Mr. Chairman, that the Ministers of the Crown are writing extensive letters to the editor in reply to an opinion given by a person of the public. I wonder at this reaction, that they should shoot from the hip in that manner - there are ways and means by which they can take care of a given situation. However, the Minister has a responsibility in many ways to put forward his opinion and that of the government in something that may come up from time to time that affects the public generally. But I do object, Mr. Chairman, when we see letters to the editor, three and four columns, signed by Deputy Ministers and other civil servants. This seems to me to be a new departure, and I believe that that sort of practice should be brought to an end. They are playing with fire, it would seem to me, and that a slip of the tongue can not only be embarrassing to the Minister, but certainly to the government. But even apart from that, I don't believe it is their place to go to the public press and give opinions in the interests of the operation of this province. Civil Service in recent weeks have been negotiating with the government, and we have read of certain proposals that have been put forward - whether they are being consummated yet or not, I'm not too sure;

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(MR. BILTON cont'd)or whether we should be discussing it, I'm not too sure - but if the grants that we read are to be provided, I wonder what this cost will be to the province in the oncoming months. Possibly the Minister cannot answer that at this particular time, but I think it would be of interest to the committee if he could do so.

Now, with regard to the funds that are before us, I notice the Canada Pension Plan is up almost, well, almost \$1 million. I wonder if he could indicate to us why such an enormous increase in that particular regard. And the Unemployment Insurance is up almost \$1 million. I realize that possibly it has been brought about by the reason of an increase in the Civil Service. I would like to know what the number of civil servants are on the payroll at this particular time. And also, how many civil servants are hired on contract, if the Minister in his wisdom could tell the committee? So with those few words, Mr. Minister, I don't see there's any reason why we should take a great deal of time in handling these minutes.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Thank you, Mr. Chairman. I, too, wish to thank the Minister for his brief remarks in introducing the estimates on Civil Service Department, and I have also a few questions to ask him. And perhaps before I do that, I wish to compliment him on the new program of alcohol and drug program and education, as well as physical fitness service facilities. Perhaps the Minister can be more precise in telling us, because he is dealing with a large staff, which is in an area throughout the whole province, probably 12,000 or more - does he intend to provide some facilities, what areas, and what kind of expenditures in this area? I compliment the Minister, I think he's taken the right direction, but perhaps he can give us a little more brief explanation what it will entail, because all he said was that there will be a new program. I also accept and appreciate manpower planning role, I think it's overdue - and again, I hope that in all three areas we will see good progress by this time next year. So perhaps the Minister can give us some indication what his course of action will be in this area and what kind of expenditures he's talking about.

The items are just only a few under the department, so we may have to deal sort of interchangeably - and I hope the Chairman will allow me to do that. I wish to ask a few questions on the Civil Service Superannuation Fund. One area - I wonder if the Minister has given any consideration in respect to refund and termination. I know it's still 3 percent at the present time, interest rate on your contributions - and the kind of interest rates that we've seen at trust companies and the banks in the last several years, I wonder if the Minister has given any consideration to increasing the interest rate on the refund. Because I believe - I may be mistaken, but I checked last year and I haven't got my statistics before me, but I believe it's probably one of the lowest - I don't say one of the lowest in the whole of Canada, but I'm sure there's other provinces that have increased from that. The other point is, there's also - not only on termination, but there's the refund as a result of death as well, and I think that, to me, I would feel that 5 percent would be more realistic than 3 percent. So I'm talking on termination and refund as a result of death. So these two areas, I don't know if the Minister has reviewed or looked into, but perhaps he can give me some indication.

The other area - I don't know if the Minister has sort of got involved in the way of pension. As you know, the life expectancy now of people is much longer than it used to be many years ago and they appreciate, most people that retire appreciate anywhere from 10-15 and maybe 20 years of life expectancy after their retirement. And I think that we have accepted in society that their type of life should be almost close to what they've enjoyed - their standard of life should be what they've enjoyed when they were working. So I think that the standard of living in retirement should be similar to that that they had at least to some relation - while they were still working. And I wonder if the Minister would undertake, or perhaps he has undertaken, and see just what effect the kind of pension they're receiving has, what kind of effect it has on the people that retired - can they enjoy the living standards, say, in retirement, the kind that they enjoyed while they were still working. So I wish that - I'm sure the Minister must have some statistics and some information, because I'm sure that he has communication and people that are doing some research in that department.

The other area I would - this pertains to a little more than just the government pension plan, when we talked about portability and complete portability between the public and private sector - not only between all provinces - and I know we have agreement with two provinces and the Federal Government, but I think it's time we started to look into complete portability. And the thing that really concerns me, Mr. Speaker, - some ten years ago, where we had

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(MR. PATRICK cont'd) 10,000 pension plans in Canada with some three million people involved in the pension plans, and only 3 percent, 3 percent of some 3 million people had any vesting by their employer if they took an earlier retirement. It's almost unbelievable, Mr. Speaker, the statistics that I have before me - and that's Dominion Bureau of Statistics or Statistics Canada that I have. I know that it's a few years ago, but I think, really this is an area we have to get ourselves concerned, and I think that the Minister would take a giant step if he would really, really look into this area. Because it's almost unbelievable that out of three million people, only 3 percent had any vesting by the employers - and as I say, this is a few years ago, the last statistics that I had. So I believe that there should be, you know, there should be regulations and rules and standards, that after five years or so, that there is full vesting by the employer. This is something that is very much lacking at the present time, so I would hope that the Minister can give us some information in that area.

The other point I wish to deal, is with Civil Service. I wonder if the Minister has given any consideration, or would give some consideration to setting up a grievance board for the Civil Service. I know that this has been a request made, I believe, last time that we were debating the changes to the Civil Service Act. In a year like we had this year, where there was great concern by the Civil Service - and the Minister knows full well, when you have that many people show up on the Legislative Buildings, that there are problems, and perhaps a grievance board would, you know, at least be able to deal with some of the problems that the Civil Service has.

The other area - I'm not advocating this, because I haven't really thought it out, but the Minister had some experience within his department and maybe would have, you know, an expression in respect to the MGEA - they feel that the removal clause in the Labour Relations Act is not applicable to the Civil Service - and see what the opinion of the Minister is. I know that the MGEA recommended that they had requested this, so I wonder what the Minister's opinion is - as I say, I really haven't thought it out.

The other area, the problem of the removal of collective bargaining restraints at the present time that we have in the Civil Service Act - and that is, if the negotiations break off, we have to go to arbitration, between the two parties, whenever the negotiations break off - and there is no provision for intervention by conciliation officers, that's the way I understand the Civil Service Act. And again, maybe the Minister can give us some information in respect to that.

The other area, Mr. Chairman, is - I know that civil servants can appeal the decisions of the Selection Board to a Civil Service Commission, and perhaps then to the Minister - the Minister, I think that he can appoint an investigator and an investigator will report back to the Minister. I know the procedure that is followed at the present time, but there is no sort of independent opinion to report back to the Minister in this area, and I wonder if there would be some possible way or an arrangement that there could be a complete independent sort of committee or person that would investigate.

So these are a few of the points that I wish to raise with the Minister in respect to the Civil Service Commission. I know there are quite a few - reading the papers and so on in the last while, the recommendations that the Civil Service Commission have been asking for - I know that there was one area that they felt there should be . . . the Civil Service Commission at the present time is not required to give any written decisions, and I don't know if it's feasible or not. Perhaps the Minister could give me some information. But this is something they have been requesting for quite some time - and I mean the decisions for either hiring, or when there's an appeal and it's turned down, and I believe that there are written decisions in some other legislation that we have. So would it be possible - the Minister may say to me, well, it's very dangerous and it wouldn't be proper - well, I would like to hear if it is because - as I say, I haven't got a fixed mind in this area, but these were the areas that the civil service people have been asking for - perhaps the Minister maybe has some expertise and opinion, perhaps from his people in his department who have been there for many years. So these are some of the points that I wish to ask the Minister at the present time, and after I hear from him, perhaps I'll have more.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Chairman, I want to add a few remarks briefly to the consideration of the estimates for the Civil Service. I want to say to the Minister - and I think he would probably be disappointed if I didn't say it - that I still have some fears

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(MR. SHERMAN cont'd)that there are subtle pressures continuing to politicize the Civil Service as far as possible, and I want to suggest to the Minister that I think the jury is still out on last year's amendments to the Civil Service Act. We haven't yet seen the section permitting political activity on the part of civil servants - we haven't yet seen that section applied freely and fully, because there has not been a general provincial election in the province in the ensuing time. There was of course last summer's federal election, but that followed so closely on the heels of the session of the Legislature itself that it hardly permitted an opportunity for a test of that particular provision; and we still await on our parts, a test of that particular provision, with some doubts and some skepticism and some considerable mis-giving. As we have said in debates on this subject and considerations of this great public service in the past, and we repeat, the best interests of the province and of the government and of the people and of the public service itself are served by a public service that is far removed from direct political participation, and we are as skeptical today as we were at the time those amendments to the Civil Service Act were being considered, of the value and the merit resulting from opening up that field of activity.

The Minister's primary job with respect to the Civil Service, in my view, is to make sure that the morale of that service is at all times high - and by definition, therefore, to make sure that the excellence and the high standards of performance which have always been maintained, continue to be maintained, and that Manitobans continue to be as well served as they always have been. I am not suggesting that there has been any reduction in that standard, sir. I think we've been fortunate and blessed by the service that our public servants have given us in this province over the 100 years of our history, and I've seen no reduction in that standard of service. But I repeat, that the jury is still out on what the effects of the amendments to the Civil Service Act previously passed, will in fact produce in the future. So I don't find it possible at the moment to either endorse the Minister's handling of his responsibilities in the area of the Civil Service wholesale, or to examine the particular department and the particular government operation in front of us with any degree of comprehensive study, because we still have not been able to determine what the results are of the action we took last year. There seems to me to be a general undercurrent of some dissatisfaction and some unrest in the Civil Service, Mr. Chairman, as evidenced by the contract disagreements over the past few months and by the active demonstration undertaken by the members of the Civil Service to support contract demands recently. There is nothing indeed wrong, either with an active constructive ferment in a service of this kind, or with an overt demonstration of some worry and some concern. There is, however, something wrong with a general climate of unhappiness if such a general climate should really entrench itself, and it's the Minister's job, I suggest, to ensure that no such general climate of unrest or unhappiness do entrench itself in this Civil Service. It's the Minister's job to ensure that the morale of that service and thereby, as I've suggested, its excellence, remains very very high.

The reason why I suggested there seems to me to be some continuing, if subtle, pressure to bring politics into the Civil Service and bring the civil servants into politics, is that there remains a continuing debate, sir, as to whether or not the Civil Service has or should be given the right to strike. This question came up recently in the House in connection with the contract negotiations between the Civil Service and the government and still, in the minds of most Manitobans, remains unresolved. The Minister takes the position that, legally speaking, there is some argument that can be made to suggest that the Civil Service already has the right to strike. And I know there are varying and diverse legal opinions on this question. But the Minister also takes the position - and I hope I'm not quoting him out of context or out of accuracy here - I think I'm right in suggesting that he also takes the position, that should a situation arise where the public servants of Manitoba, or some public servants of Manitoba, do in fact go on strike, they have to take their chances at the end of that strike as to whether their jobs are still open or not. So I think that the question as to whether they have the right to strike, remains unresolved, and the suggestion that they may technically and legally have such a right, is a very academic suggestion. If they're going to lose their jobs by going on strike, then I think that one would have to say, speaking literally, that they don't in fact have the right to strike. That's a question that I think civil servants, public servants, and Manitobans generally, would like to have resolved.

The issue itself raises another area of debate, and of legitimate conflict and legitimate

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(MR. SHERMAN cont'd) opposition in terms of points of view. I'm not advocating for one moment that the public servants of the Province of Manitoba should have the right to strike. In fact it's my opinion, sir, that the public service itself does not wish the right to strike for many reasons, one of which lies in the fact that responsible public servants - and that embraces the public service of Manitoba in toto - feel that no right to strike really has any meaning in a service such as theirs, because it would never be allowed to be applied wholesale; that a government faced with such a situation would simply legislate certain sections of the Civil Service back to work, and therefore that right becomes really academic and meaningless. There are other reasons why the Civil Service, or many civil servants, do not wish the right to strike, certainly to any militant degree, and I have a nagging suspicion that some subtle pressures are exerted upon them from time to time to try to goad them, to try to goad the public service into demanding the right to strike. I don't think that this is healthy or constructive, either from the point of view of the public service itself, or from the point of view of the taxpayers of the province. I believe that there is a continuing under-current of pressures which suggest to the Civil Service and the leaders of the Manitoba Government Employees Association, that the one final conclusive step they need to identify themselves firmly and clearly as a bargaining unit, as a bargaining organization, is to take that step and demand and win for themselves the right to strike. This I think is a pressure that is exerted outside of the specific desires of the Civil Service itself, and I want to . . .

MR. CHAIRMAN: The hour being 12:30, committee rise and report. 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. SPEAKER: Order please. The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Ste. Rose, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The hour of adjournment having arrived, the House is now adjourned and stands adjourned until 2:30 this afternoon.