

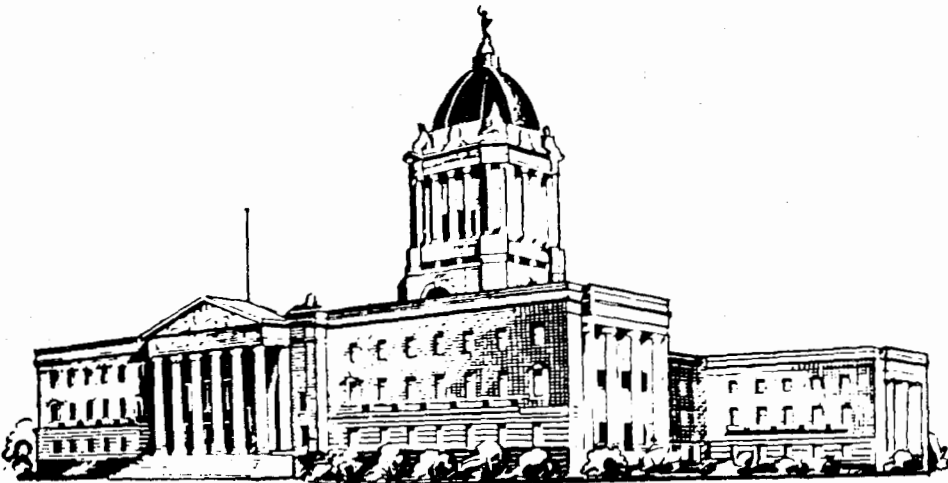


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Electoral Division	Name	Political Affiliation	Address	Postal Code
ARTHUR	J. Douglas Watt	P.C.	Reston, Man.	R0M 1X0
ASSINIBOIA	Steve Patrick	Lib.	10 Red Robin Place, Wpg.	R3J 3L8
BIRTLE-RUSSELL	Harry E. Graham	P.C.	Binscarth, Man.	R0J 0G0
BRANDON EAST	Hon. Leonard S. Evans	NDP	Legislative Bldg., Winnipeg	R3C 0V8
BRANDON WEST	Edward McGill	P.C.	2228 Princess Ave., Brandon	R7B 0H9
BURROWS	Hon. Ben Hanuschak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
CHARLESWOOD	Arthur Moug	P.C.	29 Willow Ridge Rd., Winnipeg	R3R 1L5
CHURCHILL	Les Osland	NDP	66 Radisson Blvd., Churchill	R0B 0E0
CRESCENTWOOD	Warren Steen	P.C.	410 Borebank St., Winnipeg	R3N 1E7
DAUPHIN	Hon. Peter Burtniak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ELMWOOD	Hon. Russell J. Doern	NDP	Legislative Bldg., Winnipeg	R3C 0V8
EMERSON	Steve Derewianchuk	NDP	Vita, Manitoba	R0A 2K0
FLIN FLON	Thomas Barrow	NDP	Cranberry Portage, Man.	R0B 0H0
FORT GARRY	L.R. (Bud) Sherman	P.C.	86 Niagara St., Winnipeg	R3N 0T9
FORT ROUGE	Lloyd Axworthy	Lib.	140 Roslyn Road, Winnipeg	R3L 0G8
GIMLI	John C. Gottfried	NDP	44 th - 3rd Ave., Gimli, Man.	R0C 1B0
GLADSTONE	James R. Ferguson	P.C.	Gladstone, Man.	R0J 0T0
INKSTER	Hon. Sidney Green, O.C.	NDP	Legislative Bldg., Winnipeg	R3C 0V8
KILDONAN	Hon. Peter Fox	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAC DU BONNET	Hon. Sam Uskiw	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAKESIDE	Harry J. Enns	P.C.	Woodlands, Man.	R0C 3H0
LA VERENDRYE	Bob Banman	P.C.	Steinbach, Man.	R0A 2A0
LOGAN	William Jenkins	NDP	1294 Erin St., Winnipeg	R3E 2S6
MINNEDOSA	David Blake	P.C.	Minnedosa, Man.	R0J 1E0
MORRIS	Warner H. Jorgenson	P.C.	Morris, Man.	R0G 1K0
OSBORNE	Hon. Ian Turnbull	NDP	Legislative Bldg., Winnipeg	R3C 0V8
PEMBINA	George Henderson	P.C.	Manitou, Man.	R0G 1G0
POINT DOUGLAS	Donald Malinowski	NDP	23 Coralberry Ave., Winnipeg	R2V 2P2
PORTAGE LA PRAIRIE	Gordon E. Johnston	Lib.	Box 112, Portage la Prairie, Manitoba	R1N 3B2
RADISSON	Harry Shafrensky	NDP	4 Maplehurst Rd., Winnipeg	R2J 1W8
RHINELAND	Arnold Brown	P.C.	Winkler, Man.	R0G 2X0
RIEL	Donald W. Craik	P.C.	3 River Lane, Winnipeg	R2M 3Y8
RIVER HEIGHTS	Sidney Spivak, O.C.	P.C.	2518 - 160 Hargrave St., Wpg.	R3C 3H3
ROBLIN	J. Wally McKenzie	P.C.	Inglis, Man.	R0J 0X0
ROCK LAKE	Henry J. Einarson	P.C.	Glenboro, Man.	R0K 0X0
ROSSMERE	Hon. Ed. Schreyer	NDP	Legislative Bldg., Winnipeg	R3C 0V8
RUPERTSLAND	Hon. Harvey Bostrom	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ST. BONIFACE	Hon. L.L. Desjardins	NDP	200 - 185 Carlton St., Wpg.	R3C 1P3
ST. GEORGE	Hon. Bill Uruski	NDP	10th flr., 330 Portage Ave., Wpg.	R3C 0C4
ST. JAMES	George Minaker	P.C.	318 Ronald St., Winnipeg	R3J 3J8
ST. JOHNS	Saul Cherniack, O.C.	NDP	333 St. Johns Ave., Winnipeg	R2W 1H2
ST. MATTHEWS	Wally Johansson	NDP	418 Home St., Winnipeg	R3G 1X4
ST. VITAL	D.J. Walding	NDP	26 Hemlock Place, Winnipeg	R2H 1L7
STE. ROSE	A.R. (Pete) Adam	NDP	Ste. Rose du Lac, Man.	R0L 1S0
SELKIRK	Hon. Howard Pawley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SEVEN OAKS	Hon. Saul A. Miller	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SOURIS KILLARNEY	Earl McKellar	P.C.	Nesbitt, Man.	R0K 1P0
SPRINGFIELD	Hon. René E. Toupin	NDP	Legislative Bldg., Winnipeg	R3C 0V8
STURGEON CREEK	J. Frank Johnston	P.C.	310 Overdale St., Winnipeg	R3J 2G3
SWAN RIVER	James H. Bilton	P.C.	Swan River, Man.	R0L 1Z0
THE PAS	Hon. Ron McBryde	NDP	Legislative Bldg., Winnipeg	R3C 0V8
THOMPSON	Ken Dillen	NDP	24 - 1 Public Rd., Thompson	R8N 0M3
TRANSCONA	Hon. Russell Pautley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
VIRDEN	Morris McGregor	P.C.	Kenton, Man.	R0M 0Z0
WELLINGTON	Phillip M. Petursson	NDP	681 Banning St., Winnipeg	R3G 2G3
WINNIPEG CENTRE	Hon. J.R. (Bud) Boyce	NDP	Legislative Bldg., Winnipeg	R3C 0V8
WOLSELEY	R.G. (Bob) Wilson	P.C.	2 Middlegate, Winnipeg	R3C 2C4

THE LEGISLATIVE ASSEMBLY OF MANITOBA
10 a.m., Wednesday, June 2, 1976

Opening Prayer by Mr. Speaker.

MR. SPEAKER: 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 Committee on Economic Development.

MR. CLERK: Your Committee met on June 1, 1976, to consider the Annual Report of Manitoba Mineral Resources Ltd. for the period from April 1, 1974, to March 31, 1975, and the Financial Statements of Leaf Rapids Development Corporation Ltd. for the year ended March 31, 1975. An unaudited Financial Statement for the year ending March 31, 1976, was also provided by the Corporation for information of members of the Committee.

Having received all information requested by any member from Mr. Albert A. Koffman, Chairman of the Board of Directors of Manitoba Mineral Resources Ltd., and Mr. W. Parasiuk, Chairman of the Board of Leaf Rapids Development Corporation Ltd., the Reports, as presented, were adopted by the Committee.

All of which is respectfully submitted.

MR. SPEAKER: The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, I move, seconded by the Honourable Member for Emerson, 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. The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. DONALD W. CRAIK (Leader of the Official Opposition)(Riel): Mr. Speaker, I direct a question to the First Minister. I wonder if he could advise whether Manitoba has drawn back or curtailed activities in the Guaranteed Annual Income program, that have been apparently announced by a number of provinces at the joint Federal-Provincial meeting.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Mr. Speaker, the Guaranteed Annual Income experimental program is one which the Honourable Leader of the Opposition will recall is cost-shared by Canada and Manitoba on a 75-25 percent formula. It is correct that there has been some scaling back of the size and the time duration of the program. It has been mutually agreed to by the two levels of government. I believe it might be said that the federal request was to scale-back the amount of proposed additionality of time, do I make myself clear? It is not being scaled back from the original intent, it is however being scaled back from an adjusted extension period.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, I wonder if you would proceed to call No. 67 please.

MR. SPEAKER: Very well. Bill No. 67. The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Stand, Mr. Speaker.

MR. GREEN: No. 61, Mr. Speaker.

MR. SPEAKER: Committee of the Whole could consider that one. The Honourable First Minister.

BILL 61

MR. SCHREYER: Mr. Speaker, I move, seconded by the Honourable House Leader, that Mr. Speaker do now leave the Chair and the House resolve itself into committee to consider and report on the following Bill 61, an Act to Authorize the Expenditure of Moneys for Capital Purposes and Authorize the Borrowing of the Same.

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

COMMITTEE OF THE WHOLEBILL NO. 61 - AN ACT TO AUTHORIZE THE EXPENDITURE OF MONEYS FOR CAPITAL PURPOSES AND AUTHORIZE THE BORROWING OF THE SAME

MR. CHAIRMAN: The bill for consideration before the committee as a whole is Bill No. 61, page by page?

Pages 1 to 7 were read and passed. Preamble--pass; Title--pass; Bill be reported.

Committee rise and report. Call in the Speaker.

Mr. Speaker, your Committee of the Whole has considered Bill 61, passed same, and asks 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 Honourable House Leader.

BILL NO. 61 was read a third time and passed.

GOVERNMENT BILLS - ADJOURNED DEBATES ON SECOND READING

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Yes, Mr. Speaker, 72.

MR. SPEAKER: Bill No. 72. Proposed by the Honourable Attorney-General. The Honourable Member for Birtle-Russell.

MR. GRAHAM: May I have this matter stand please, Mr. Speaker.

MR. GREEN: Bill No. 70, Mr. Speaker. It's the second reading of Bill 70.

BILL NO. 70 - AN ACT TO AMEND THE MORTGAGE BROKERS AND MORTGAGE DEALERS ACT

MR. SPEAKER: The Honourable Minister of Consumer, Corporate and Internal Services.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne) presented Bill 70, An Act to Amend the Mortgage Brokers and Mortgage Dealers Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. TURNBULL: Mr. Speaker, I do have some explanatory notes which I assume the Opposition would like to hear, although they didn't ask for any explanation, but the Leader of the Conservative Party now expresses a desire to have an explanation, so I will give my remarks on this bill.

Mr. Speaker, the bill really has three purposes. It makes the changes required in this Act to effect a transfer of its administration from the Public Utilities Board to the Securities Commission.

The second purpose of the bill is that it introduces into the Act a new provision which makes it an offense to make false statements and documents which are required to

(MR. TURNBULL cont'd) be filed with the Commission or the Registrar. One example of such a document is an application for registration as a broker or a dealer. It is obviously essential that the information given by an applicant for registration in support of his application should be reliable, and for that reason the making of a false statement in the application must be punishable. Hitherto the making of such a false statement was not directly declared to be an offence but was classified in the definition section as a fraudulent act. In so doing in this Act, which I'm amending by this bill we're simply following the pattern established in the Real Estate Brokers Act.

The commission of a fraudulent act is declared to be an offence, but only if it is committed in connection with a transaction in mortgages, and of course an application for registration is not a transaction in mortgages. This problem, Mr. Speaker, came to light in a prosecution under the Real Estate Brokers Act in 1975. It requires to be corrected, and the new section 41 of the Act set out in Section 15 of the bill makes the correction. In certain circumstances, some information given under the Act may be given on oath. A false statement would then be perjury, which is an offence against the Criminal Code. That is the reason for the exclusion of false statements punishable under the code.

There are some other changes in Section 15, these together take the place of the existing Section 41, which deals with the penalty for violations of the Act. The changes made in this respect are purely technical.

Sections 41.1 and 41.2 will now declare what is an offence, and Section 41.3 will describe the penalties for the offence. Previously these matters were not kept separate in the Act.

Mr. Speaker, the third major purpose of the bill is to be found in Section 9, which will empower the Registrar to inspect the bank accounts of mortgage dealers. The difference between a mortgage broker and a mortgage dealer is simply that a broker does not handle other people's money while a dealer does. That is why this power of inspection will apply only to dealers. Real estate brokers, of course, also handle other people's money, and there is a similar power of inspection in The Real Estate Brokers Act.

The precise effect of this provision in The Real Estate Brokers Act was previously not entirely clear, which I'm told, Mr. Speaker, is the reason why it was not originally included in this Act.

A decision of the Court of Appeal in 1975 has removed these uncertainties and I can now recommend that this power of inspection should be inserted in this Act as well.

The banking records of persons whose business includes the handling of other people's money ought to be open to inspection by an officer of the appropriate regulatory authority as this undoubtedly assists in the early detection of defalcations. A dealer may keep a trust account at a chartered bank, a trust company or a credit union. Because the term bank account is capable of being interpreted as referring only to an account kept at a chartered bank, the proposed new Section 23.7 will give an extended meaning to the word bank.

Mr. Speaker, those really are the explanatory notes for this rather technical amendment to the bill.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Speaker, I move, seconded by the Member for Gladstone, that debate be adjourned.

MOTION presented and carried.

MR. GREEN: No. 90, Mr. Speaker.

BILL NO. 90 - THE PROVINCIAL-MUNICIPAL TAX SHARING ACT

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER presented Bill 90, The Provincial-Municipal Tax Sharing Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, in recent years Local Government Representatives, both here in Manitoba and elsewhere in Canada, have expressed growing concern about the adequacy of revenue sources which are available to local government to meet the growing budgetary expenditures and obligations of local government. I share that concern as does indeed, judging by his remarks yesterday, the Honourable Member for Birtle-Russell I believe it's accurate to say that yesterday he referred to the importance of local government and, Sir, I go even further and refer to local government as being indeed at the bedrock foundation of our system of government and way of life. Therefore it is something which it is important that we give credence to the expressions of concern about the potentially negative effects on the autonomy of local government as does take place as a result of the increasing dependence of local government on conditional transfers from senior levels of government. That is to say, grants with strings attached.

Bill 90, our government's proposed Municipal Tax Sharing Act, is designed to respond to these concerns, or to attempt at least to do so, and in particular to the requests by municipalities for access to the so-called growth tax fields which are under the jurisdiction of the province and to a larger extent of course of Canada.

In many respects this new Act is precedence setting, landmark legislation. There is, I think, some satisfaction to be taken from the fact that it is the first comprehensive provincial-municipal tax sharing legislation to be introduced. Based on the large number of enquiries we have received from outside Manitoba since the first details of our new tax sharing plan were announced last year in the Budget, there is reason to believe that this legislation may well become a model for other provinces to adopt. Certainly there is support in general principle, and I am not so naive, Mr. Speaker, as to believe that because there is support in general principle that there will therefore be support in every detail as it is actually applied. But at a meeting last year - and I believe two years ago, but certainly last year - of the Canadian Association of Mayors of Municipalities, the concept which was outlined in our Budget in Manitoba with respect to provincial-municipal tax sharing, was lauded as being at least desirable in principle. The degree of interest in what is being proposed is illustrated by an editorial which appeared in the Toronto Star just a few days after the program was announced last year. I do not propose to take the time of the House to read the editorial from the Toronto Star, but the net effect of it is simply to support the concept, as indeed the National Convention of the Federation of Mayors and Municipalities did as well.

But, Mr. Speaker, when the government was considering introducing this new concept, we were aware that tax sharing was a high priority for municipal governments across Canada, including the governments whose members formed the Union of Manitoba Municipalities. We had taken careful note of the fact that the Union of Manitoba Municipalities along with the Manitoba Association of Urban Municipalities, has endorsed a call for tax sharing at the last National Tri-Level Conference held in Edmonton in the autumn of 1973. More recently, at the last general meeting of the Canadian Federation of Mayors and Municipalities in London, Ontario, June of last year, delegates gave general support to a resolution which read as follows: "Be it resolved that the Canadian Federation of Mayors and Municipalities adopt in principle its support of access to the revenue growth tax fields in addition to the present Conditional Grants Programs."

We believe that the tax-sharing plan embodied in Bill 90 responds to this call, this request. There can be argumentation as to degree but in substance and principle it is a positive response to that very call as embodied in that resolution. In doing so, our government has gone further than most. We have rejected the idea that municipal governments should be considered as somehow inferior or creature governments, or less responsible for their decision-making than senior levels of government. We know this

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(MR. SCHREYER cont'd) is not true, need not be true, that decision-making with respect to matters of local concern is best done in an unencumbered way at the local level, and that this legislation will give the municipalities the means of proving that this is right.

Because our tax sharing legislation breaks some new ground in the field of provincial-municipal finance, we have deliberately drafted its provision in general terms. The flexibility which this general wording provides is most important. We believe that new tax sharing legislation should be as responsive as possible to municipal requirements. If the Act were to be too specific, such rigidity could undermine one of its principal goals, that is, to foster a greater measure of municipal autonomy and to recognize municipal responsibility.

In conjunction with complementary amendments to The Income Tax Act, included in Bill 87, the first major section of our Provincial-Municipal Tax Sharing Act will provide authority to transfer revenues derived from two percentage points of personal income tax and one percentage point of corporation income tax to the municipalities on an unconditional basis starting this year. As announced in the Budget, the estimated value of this income tax transfer will be based on 1975-76 income tax revenues is 17.6 million, an increase of about 31 percent over the 13.4 million paid out last year under the Unconditional Grants Act.

Payments to individual municipalities in 1976 will be based on a formula which will provide for: (a) a basic per capita payment of \$15.30; (b) an additional per capita payment of \$1.00, or \$2.00 for municipalities not now in receipt of . . . already in receipt of provincial cost-sharing assistance for police services; and (c) interim population adjustment payment designed to provide additional assistance to those municipalities which have experienced the faster growth rates and therefore expenditures in recent years.

Just as the Unconditional Grants Act provided flexibility in setting payment amounts, the new tax-sharing legislation provides similar latitude by not incorporating the 1976 formula in a specific way. This will permit the formula to be modified in future years if conditions warrant and if our experience with it shows that changes should be made. In addition, of course, there may be proposals from municipalities themselves for different allocation alternatives and we would want the legislation to permit government sufficient flexibility to respond to these suggestions emanating from local government units themselves.

In addition to the provisions authorizing the transfer of two points of personal and one point of corporation tax, the Act also contains generally enabling clauses giving the municipalities authority, with the concurrence of the province in the case of new taxes, to apply new taxes of their own. This means, for example, that in future years if municipalities are faced with mill rate increases they could elect instead to offset some of this additional property tax requirement by applying a tax change of a different kind. One which in their opinion could have a more equitable general impact and which would give them a faster growing tax field as opposed to the property tax basis upon which they are so heavily, so very heavily dependent up until now.

There are of necessity, Mr. Speaker, some limits on this plan, on this concept. For example, the province believes it would be unwise, at least initially, to permit individual municipalities to apply different sales tax rates within the province. Differential rates of this kind could lead to difficult administrative problems, and perhaps counter-productive tax competition among municipalities, something which could only serve to weaken the tax-sharing system and prevent the smaller municipalities in particular from achieving any real benefit from it. For this reason we have said that a municipal sales tax or similar levy must be applied, if it is to be applied, it must be applied province-wide. And because of this, we pointed out in last year's Budget, that such a tax would not be applied unless it is supported by a majority of municipalities, or a number of municipalities supporting a majority of population.

We have not defined major numbers at this stage, because as indicated earlier we would want to retain a large measure of flexibility in the application of the program in its initial or early stages, so that it can be as responsive as possible to local requirements and to the discussion that is necessary in order to come to any meeting of minds

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(MR. SCHREYER cont'd) with local government.

It is clear as well that we would not enact a province-wide levy for municipalities unless there is a consensus among the municipal governments. At the same time we have not ruled out the possibility of providing a useful assistance by way of collecting certain other growth taxes, for individual municipalities on a local decision basis, or of permitting local governments to collect such taxes themselves. This kind of arrangement could apply where there was little chance of counter-productive intermunicipal tax competition, and where tax bases within the individual different municipalities could be identified readily enough.

Some possible examples of this kind of individual municipal tax approach have been discussed publicly, and a number of them have been in effect in other provinces. In this regard there is some precedent already in other provinces. For example, hotel room levy, liquor and restaurant meal taxes on a municipal basis, land transfer taxes, and so on. We have already transferred amusement tax authority to the municipal level, and this was done I think three years ago. The City of Winnipeg has been taking advantage of this new tax rule for over a year now, just as some other cities, such as Regina, have for a considerable number of years.

Just a few months ago, Mr. Speaker, the Metropolitan Toronto Municipal Council said that it is seriously considering a three percent hotel room tax to finance a new convention centre in that city, and there have been various proposals for Winnipeg councillors for similar taxes within their jurisdiction.

As the House may be aware, there has already been considerable debate about the merits of some of these proposals. I would not want to get involved in the substance of the merits of the different specific proposals that have been advanced to date for municipal or local government discretion in terms of tax levy. I would suggest that it is really up to a municipal government to decide what is most appropriate in their circumstances, and then to deal with it as a top or middle or low priority item with the province.

What I would like to say, however, is that some of the debate on our plan up to now seems to have been based on the misconception that the province is encouraging the levying of increased municipal spending and therefore levying of higher taxes. This is not necessarily so. It is a matter again of the size and the size of the increment of municipal budgets that will really determine that. I believe it is incumbent however on us to be able to respond to the requests of local government for access to possible new revenue sources. And we are saying to the municipalities that if indeed there may be a basis for improvement in the current local government tax and revenue source system, maybe there is a better way and we propose to change the law so as to make it enablingly possible. If the municipalities theoretically wish to do so, they could make some shift then from property tax to a combination of other sources. Or they may choose to retain basically the present level of dependency on property tax but new increment of revenue they may choose to obtain from these other sources which will be opened up to them.

Subject to the consensus requirements I mentioned earlier, if a major number of municipalities want to implement the same kind of shift, for example, to hold down the growth in residential property tax, they can now consider making up their excess revenue needs by asking the province to apply on their behalf a higher income tax rate for higher residential mill rates, thus making their entire tax structure fairer and perhaps saving money for a significant number of home owners and tenants.

There is in the final analysis, Mr. Speaker, no way of course of knowing with certainty whether this degree of extra latitude, extra area of flexibility for decision-making for local government, elected local government officials, will prove to be of major importance or only of minor importance. And I do not wish to exaggerate the possibilities involved here. All I will say, Sir, is that on reflection and on perusal and on study of this matter, it would seem to be a common sense type of change to make. It may have greater or lesser positive impact - I do not see how it could have negative impact. I will concede that the positive impact may be very modest and very minimal, but at least it is worth the effort. Thank you.

BILL 90

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Speaker, I move, seconded by the Member for River Heights, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, would you then proceed to call Bills 76, 83 and 85, in that order.

BILL NO. 76 - AN ACT TO AMEND THE HEALTH SERVICES ACT

MR. SPEAKER: Thank you. Bill 76. The Honourable Minister of Tourism and Recreation.

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield), on behalf of the Minister of Health, presented Bill 76, An Act to Amend The Health Services Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. TOUPIN: Mr. Speaker, the explanatory notes on second reading of this bill are pretty straightforward. The proposed change to the Act would eliminate the vote requirement with respect to hospital construction, and this requirement would be replaced by ratification of by-laws of the included municipalities, subject to the requirements of the Municipal Board either under the Municipal Act or the Municipal Board Act.

This change recognizes the fact that municipalities no longer have financial responsibilities under the Act and that referenda are not required for other projects such as personal care homes.

The additional amendment is introduced to tidy up the approval process on changes in the amount of debentures required for any specific project. This would mean that if a capital project came in at a less than the original capital project approval, it would not be necessary for the Manitoba Health Services Commission to go back to the various bodies. This amendment relates only to a reduction in the capital project below the scheme originally approved.

There is equally, Mr. Speaker, a provision which is repealed entirely since the vote is being eliminated and resident electors will not be assenting to a particular size of a hospital in a district. In essence, Mr. Speaker, this is the provisions of the bill before us and I'm informed that the Honourable Minister of Health and Social Development will be back to comment when the bill is before committee stage.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Mr. Speaker, I beg to move, seconded by the Honourable Member for Pembina, that debate be adjourned.

MOTION presented and carried.

BILL NO. 83 - THE WORKPLACE SAFETY AND HEALTH ACT

MR. SPEAKER: Bill No. 83, the Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona), presented Bill No. 83, The Workplace Safety and Health Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. PAULLEY: Mr. Speaker and colleagues, this is one piece of legislation that I really feel that I can honestly say that I have fought a political lifetime to achieve and to see that it is before the Assembly in the interests of safety at the workplace, for two reasons.

Firstly, because of the fact that I have been so appreciative as a former worker in a railroad shop how fragmented industry has been in provision of safety measures for workers, and how fragmented even governments are in the same general area. To find for instance, Mr. Speaker, that here in this jurisdiction, after having been in existence for well over 100 years, we still find the important matter of the safety of our employees fragmented to five or six different departments. And when one considers that it is the

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(MR. PAULLEY cont'd) responsibility of these various department of government that are responsible for the installation of machinery, the inspection of machinery, in practically speaking every work plant in the province, we cannot help but come to the realization that we really are archaic and backwards in our approach, when we find that there are inspectors of conceivably of two or three various sections of government, can conceivably enter into one workplace, even possibly at the same time, and inspect two or three pieces of equipment that is related in operation and make two or three different reports to two or three different home-bases, in the meantime find that in those areas a worker may be injured.

Just the other week or so in the Assembly we were dealing with the matters of The Workers Compensation Act and the terrific toll, financial toll, that was being paid by employers in industry in Manitoba for the cost of benefits and treatment to injured workers, and we were still operating under what I call an archaic system of inspection at the workplace.

I realize, Mr. Speaker, that in the bill has been presented to the Legislature for its consideration that the factors of the bill and the provisions of the bill are not wide enough to cover the areas of worker jurisdiction under the Federal administration. It's too bad that a few of us so interested in safety have not as yet been able to convince the federal authority that there should be a united approach in every respect in the provision of safety inspection and regulation in both the federal and the provincial fields. And I'm happy as Minister of Labour of this jurisdiction, Mr. Speaker, to know that some of my fellow Ministers of Labour in Canada are in the process of proposing similar legislation in their respective jurisdictions. I received a copy of a proposed bill for Alberta just the other day; I received a communication from the Minister of Ontario, that happens to be a lady and I'm proud to know that I have a fellow Minister or Ministress of Labour, a female who's taking the same interest in the field of safety, and she and I are at the present time engaged in an unofficial battle to see which province, Ontario or Manitoba, wins the race to have established in their respective legislations bills similar to that I am proposing for Manitoba. And I cannot help but of course, Mr. Speaker, make mention of the advances that were made and are continuing to be made in the Province of Saskatchewan which first set up a unified operation of safety at the workplace.

We believe that the full emphasis should be given to the use of health as it is understood in international labour as being or meaning the prevention of disease, brought about by working conditions, and means the promotion of mental, social and physical well-being through the proper management of workplace environment.

We appreciate the fact that simply by this piece of legislation, Mr. Speaker, we are not going to stop accidents at the workplace. We are hopeful, and with the co-operation of all of the members of this Assembly we can go a long way to make sure that the workshop is a far safer place for persons to be engaged in earning a livelihood for themselves and also a workplace where the investor into the workplace can receive the benefits of production.

We feel that there is an obligation on each and every one of us to do our share. I think, Mr. Speaker, that every worker at the work plant should be made aware, forcibly if necessary, that he or she should be made to wear all of the devices and protective equipment available for the protection of a worker, and taking reasonable care in each instance for individual protection at the workplace. We believe that self-employed people should do likewise. We believe that the employer, the operator of the plant, should be charged with the responsibility under the threat of penalty, and severe penalty where necessary, that they be placed under the obligation of the provision of adequate safety protection.

We have no intention or desire in this legislation, Mr. Speaker, simply to set up an additional bureaucracy to operate over top of the various areas where work is going on or inspections are going on at the present time, but to co-ordinate the general efforts under one general jurisdiction. It has been suggested and decided by the government that it would appear that the logical place to domicile the co-ordination of all of the efforts in the field of safety that that co-ordinating section should be the Department of Labour.

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(MR. PAULLEY cont'd)

As Minister I realize that we are not going to be able simply by the slip of a pen or the signing of a document reorganize completely and quickly the efforts that are being done at the present time by the various agencies of government. It will take a little while. But in the end in my opinion it must be done. A thorough look will have to be taken of necessity of our present rules and regulations governing safety at work plant.

There is one that I'm particularly intrigued with in the field of mining safety which is in effect at the present time. Honourable members of this Assembly will recall on a few occasions this session, as in other sessions, members of this Assembly who have been engaged in the mining industry have drawn to our attention cases of injury or even of death that have occurred in the mining industry. This led the government to give consideration to a regulation prohibiting workers in the mining industry to being forced to work single-handed in places where it may not be safe to work. It was being done.

A regulation was passed that if any official or immediate supervisory official in that particular section of the mine was proven to be responsible for that type of a person to work singularly in an unsafe place, then the responsibility and the onus rested with that supervisory person who compelled a worker to operate. Regulation provided that that individual who forced the worker to work in an unsafe condition would be either dismissed for life or at least suspended from working or having the authority for a period of six months.

I want to say, Mr. Speaker, while that sounds as though it is a very very firm and hard decision and penalty to be inflicted on an individual because of the loss of the life of another one, it is that type of penalty that may be necessary in other areas in the industrial world as well, so that workers are protected and are not forced into areas of work that are not safe. To the same degree that type of attitude in my opinion should prevail as a whole throughout industry with the co-operation - and I stress co-operation, stress co-operation of the worker, the owner and the government.

I believe that there should be established in the work place committees comprising representatives of worker and government, worker and employer at the work place to become more aware of conditions, and unsafe conditions particularly, at the work place. It would be an onus and a responsibility of these committees to recognize and to become involved in their own interests and in the interest of society as a whole.

Now I appreciate and realize, Mr. Speaker, that the honourable members of this House have not had a real lengthy period of time to consider the precise document that they have before them, outlining methods of overcoming incidents and conditions that we have had prevailing for a long period of time. I suggest, Mr. Speaker, to honourable members of the Assembly the bill on Safety in the Work Place standing in my name is not an approach that should not have been made and that many people felt had been made and was being made over the years in the interest of safety as a whole. But it is really a consolidation of conditions that should prevail at the work place, be it a mine, a garment industry, a market garden, or any other area of where there are workers engaged. It is merely a consolidation of what we felt was being done over the years.

I'm sure that members of this Assembly, and indeed as even I who have been so concerned in the industrial field, are not aware that for the operation say, for instance, of a spray booth in an auto repair shop there are two or three different types of inspectors to go in to oversee as to the safety of that particular spray booth: A representative from the Ministry of Labour goes in to see that the pipes are all connected correctly; a member of the Department of Health goes in to try and be assured that the toxic fumes are being exhausted, and so the story goes. This is the type of operation we've had in the work place and I suggest, Mr. Speaker, and fellow colleagues it is time that it ceased.

Now then when the mention was made in Throne Speech of this type of legislation going to be considered by the Assembly, following that I received from manufacturers and industry as a whole, trade unions, and others, letters asking me whether or not they would be consulted before the major components of the Act were put into place.

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(MR. PAULLEY cont'd)Mr. Speaker, I gave them the assurance that such would occur before the Act came into force. In order to carry through that commitment honourable members will note that the last sentence or two of the Act says that this bill will come into force on proclamation. It will be my intent to call together representatives of industry and commerce and workers to assist in the establishment of the necessary divisions or functions in order that at long last we can have in the Province of Manitoba a proper, more logical approach to safety in the work plant, and I recommend this bill to the House.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. FERGUSON: Mr. Speaker, I move, seconded by the Honourable Member for Rhineland, that debate be adjourned.

MOTION presented and carried.

BILL NO. 85 - AN ACT TO AMEND THE EMPLOYMENT STANDARDS ACT (2)

MR. SPEAKER: Bill No. 85. The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona) presented Bill 85, an Act to amend The Employment Standards Act (2), for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. PAULLEY: Mr. Speaker, this bill, an Act to amend the Employment Standards Act further, basically was brought into being because of a decision rendered by one of the courts of the Province of Manitoba, dealing with the question of maternity leave, and in that particular case for a school teacher.

There was quite a hullabaloo raised at the time of the decision of the Honourable Justices of the Court of Appeal as to the fairness of their decision, and suggestions were made that possibly the decision made by the learned gentlemen should be appealed to the Supreme Court, because it didn't seem quite just and quite fair that there should be a differentiation between a teacher who happened to be pregnant and any other lady in any other segment of industry. At that time I gave a commitment publicly that I would consider the possibility of having the decision challenged by way of the Supreme Court, or that we would take under consideration changing the legislation under which the judge's decision was made, changing the legislation to make it clear that there were no legal loopholes from the declaration as to whether or not the woman being pregnant would be entitled, if she was in industry or as a school teacher, to pregnancy leave.

So the purpose of this Act, Mr. Speaker, is to give to the members of the Legislature an opportunity of supporting the Minister of Labour in his contention that we should have equality within the sections insofar as the awarding of maternity leave. That is the part of the purpose of this Act.

The only change insofar as that section of the Act, Mr. Speaker, I draw to the attention of members of the Assembly, is that there were changes made in The Unemployment Insurance Act dealing with the time factor of leave for maternity purposes, and we have changed this Act to conform; and there was also a slight difference in the wording in the maternity leave provisions under the International Labour Organization, that we felt we can or should adopt in our legislation for the purpose of uniformity.

Another provision in this Act deals with the application of the Employment Standards Act to the Crown. At the present time, and up until now, the Crown has not been subject to The Employment Standards Act. As a matter of fact when we became government there were two or three Acts that were not subject to the Crown, and the Crown was not subject to those Acts. That was before the advent of The Human Rights Act. But one that I'll use as an example was The Equal Pay Act, of all Acts, that prior to it being taken a look at by our administration, there was no Equal Pay Act as far as the Crown is concerned. The Crown felt that it was quite all right for everybody else to pay equal pay, but not itself. Somewhat similarly, some of the provisions are still remaining under the Employment Standards Act, and the purpose of this Act is to make sure that all other conditions of the Employment Standards Act will be applicable to the Crown and its agencies with the exception that the Crown reserves the right under the

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(MR. PAULLEY cont'd) wording of this Act to, by regulation, make certain exemptions of employees who are working in supervisory and managerial capacities. Those two, Mr. Speaker, are the provisions of this Act. I do not think that they are very contentious and recommend them being forwarded to committee for the consideration there.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Mr. Speaker, I beg to move, seconded by . . .

MR. SPEAKER: Order please. Does the Honourable Member for Assiniboia wish to speak on the Act now? The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, the bill is quite forward, and I will make a few points on Bill 85, an Act to amend The Employment Standards Act.

Mr. Speaker, I support the two principles involved in the bill, they're straight-forward, and I know we had a debate just the other day on the Human Rights Commission and there were some concerns that it may not apply to the Crown and some of the Crown agencies, and I know it was pointed out by the House Leader that it did. At that time I had some complaints from some people that it did not apply, and there was very few complaints against the Crown. So I'm glad to see that now it will apply to the Crown or any agencies of the Crown this bill, and to the employees of the Crown as well. I know there's some exclusions, as the Minister indicated, because there may be some people that are on contract, contract employees. I think it's a good principle, and I support it.

The major principle in this bill, Mr. Speaker, is the one that's specially related to pregnancy, because when the courts handed the decision, I know next day when we were in the House, I asked the Minister immediately what he will be doing about it: Will he be taking the case to the Supreme Court or will we see legislation? At that time the Minister wasn't sure what action he will be pursuing in this House, but he said he will be taking some action. I at that time I wasn't so sure that the Minister will act this session or not. I thought perhaps the government will take some action, but I certainly did not think that he would take any action this session. So when I saw the bill I was surprised, and I'm glad the Minister did take action, and I compliment the Minister for doing so.

I recollect quite well when the decision was handed before the Orders of the Day, I asked the Minister on the question period, if he would take any action or take the case to the Supreme Court, and at that time he didn't know. I know we had some debate on it in the Labour Estimates as well, and I agree with the action that he's taken. I think it's much better to clarify the legislation. I couldn't understand why the decision was rendered the way it was, because in the Federal Labour Code it's quite clear there is maternity leave granted in other industry, it has to apply to the other industry and here I thought it was a discrimination when it did not apply in the profession of teaching. So I support the bill completely, I think it was the right course of action, and I compliment the Minister for taking the action during this session.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Before the Member for La Verendrye adjourns debate, I wonder if I may ask the Minister a question, on this particular bill.

MR. SPEAKER: Unfortunately yes. The procedure now has passed its . . .

MR. GREEN: . . .the last member I talked with would do that, that's right.

MR. SPEAKER: It would create a precedent, because had I realized that the Honourable Member for Morris wanted a question at that time, I could have called him first, but I wasn't aware of it, so I'm sorry. I'm sure the honourable member will get an opportunity to speak to the Minister of Labour at some other time.

I accept the motion from the Honourable Member for La Verendrye now, seconded by the Honourable Member for Gladstone, debate be adjourned. Agreed. So ordered. The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call Bill No. 71.

PUBLIC BILL NO. 71 - THE TOWN OF MORRIS

MR. SPEAKER: The Honourable Member for Morris. Public Bill No. 71.

MR. JORGENSEN presented Bill No. 71, an Act to Authorize the Town of Morris to acquire Certain Real Property and to validate its By-law No. 5/76, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, the House Leader took me somewhat by surprise, I hadn't anticipated the introduction at this legislation. I suppose I should have caucused with them a little more carefully before the beginning of the session.

Sir, this bill is being introduced to relieve a concern that the Town of Morris has with respect to a project that received some publicity a few months ago, and the Town undertook to purchase land within the limits of the Town of Morris to be set aside for a housing development. It was a land banking program that I think was quite unique in this province, and was able to be effected as a result of the somewhat unique situation that the Town of Morris finds itself in, in that within the confines of the area comprising the Town of Morris, there is a specific boundary that effectively prevents expansion beyond those boundaries, and I'm referring, Sir, to the dike. Perhaps it is one of the few communities in Manitoba that in effect has a green belt area around it, similar to the green belt area around the City of Ottawa. That is not to say that housing construction, or indeed any other kind of construction cannot take place outside the dike. But anyone that would dare to build outside the dike areas does so at his own risk, subject to the floods that occur from time to time in the Town of Morris.

The purchase of this land was made possible as a result of the offer to sell specifically to the Town by a long-time resident of the Town of Morris who was retired from farming. Since the offer was made to the Town, they were very anxious to take advantage of the opportunity to carry on this unique land banking project. Section 196(3) of the Municipal Act grants the municipality authority to acquire real or personal property, includes the power to enter into leases that include options to purchase, or the right of purchase, or that provide for the transfer of title of property at the end of the lease, or to enter into agreements for the purchase of property over a period of years.

There was some question as to whether or not that gave the municipality authority to purchase land for housing developments. It's quite clear in the Municipal Act that the Town have the authority to purchase or to expropriate for municipal purposes. Whether or not the subdividing of this property for residential use, and the development of that property by private contractors, could be considered to fall into this particular category rose as a doubt in the minds of the municipal authorities, and indeed I suspect in the minds of some of the municipal officials here in the department. In order to ensure that that authority was indeed theirs and could not be challenged at a later date, the Town were anxious, and are indeed very anxious to have this dealt with to ensure that they do have that authority.

All it does is to provide without a question of doubt that they are within their jurisdiction and within their rights to conclude the transaction of the purchase of this property, its subsequent subdivision and resale to developers. I might add, that their intention is to ensure that when property is being sold to the developers or to private individuals, that a condition of that sale will be that a building will be erected on that property and that it will not be held for speculative purposes.

With those few remarks, Sir, I believe that that should explain the purpose of the bill, and I hope that it can receive reasonably speedy passage because, as the Minister of Municipal Affairs knows, there is some urgency in having this bill authorized.

MR. SPEAKER: The Honourable Member for St. Vital

MR. JAMES D. WALDING (St. Vital): Mr. Speaker, I beg to move seconded by the Honourable Member from St. Matthews, that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

BILL NO. 75 - AN ACT TO AMEND THE PUBLIC HEALTH ACT

MR. GREEN: Mr. Speaker, I understand that we can proceed with Bill No. 75, on Page 2, of the Order Paper, that the member who was holding it is prepared to speak on it.

MR. SPEAKER: The Honourable Member for Rhineland isn't here though.
--(Interjection)-- Bill No. 75. The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. One thing about Bill 75 that we are a little concerned about, and that is the removal of the duly qualified medical practitioner that used to be in there, and this has been substituted now by specified persons, that communicable diseases, and so on, will have to be reported to specified persons, or a specified officer, and this used to be to a duly qualified medical practitioner. So at the time when this is in committee stage, then we would like to have some explanation as to who these specified persons are going to be. I think it's a very vague ruling over there, specified persons could mean anybody, and I would like to see us be a little bit more definite than that. Thank you.

QUESTION put MOTION carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Yes, Mr. Speaker, will you proceed to Page 5 of the Order Paper. There are Bills No. 24, 77 and 78.

BILL NO. 24 - AN ACT FOR THE RELIEF OF ELSIE KERNESTED

MR. SPEAKER: Thank you. Bill No. 24. The Honourable Member for Assiniboia on behalf of the Honourable Member for Fort Rouge.

MR. PATRICK on behalf of the Honourable Member for Fort Rouge, presented Bill 24, an Act for the Relief of Elsie Kernested, as Administratrix of the Estate of Philip Lloyd Kernested, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I believe there's two similar bills before the House at the present time. Perhaps I can give some background in respect to why this bill is before the House. On August 2, 1974, a very serious accident occurred on the Trans-Canada Highway East, a truck collided with an eastbound vehicle. In the eastbound vehicle there were five persons, the owner and driver of the vehicle, Philip Lloyd Kernested, his wife Elsie, a daughter Donna Kernested and a son Grant, and a friend of Grant Kernested, who was accompanying the family on an intended weekend trip. As a result of the accident, the head of the family, Philip Lloyd Kernested was killed, so was the daughter Donna Lorraine Kernested. The other three passengers sustained injuries but their injuries were not too severe. There was absolutely no doubt who was fully responsible for the accident. In settlement discussions which took place, subsequent to the accident, liability was never questioned. The problem is this that the time for bringing an action under the Highway Traffic Act was changed from one year to two years, and there is still a provision in the Limitations of Actions Act which requires any claim under the Fatalities Accident Act to be brought within one year, and that's where the problem occurs.

The legal action by the passengers covering their personal injuries is not affected since they have two years in which to sue. A claim with respect to the fatality of the daughter can also be brought because the limitation of the Trustee Act has been extended to two years. But the claim on behalf of the estate of Philip Lloyd Kernested for damages under the Fatalities Accident Act, would have to be extended before the court could award appropriate damages. And that of course is the major part, why this bill is before the House.

So, Mr. Speaker, I appreciate and I know that there is some concern by the Members of Legislature to have these type of bills come before the Legislature, but I know that there are two other bills already before the House with similar . . . so there's two points as far as this bill is concerned. There's absolutely no question as

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(MR. PATRICK cont'd)to the liability, but the question is that there is an anomaly in the law that if the limitations period for bringing an action arising out of the motor vehicle action, and it's two years, the right to bring a claim, there's no problem in that; but the problem is that the Fatality Accidents Act in my opinion should have a corresponding two year period. It only has one, the limitation of time is only one year to bring action under the Fatalities Act, and this is where the problem occurs.

So I would hope that the members would allow the bill to go to Law Amendments Committee. If anyone has any objections, they could raise their objections there, and I know there will be counsel appearing for these people. So I say there is precedence already in this session, that we have two similar bills before the House already. And I would ask the members to let it go to the Law Amendments Committee.

QUESTION put MOTION carried.

. . . . continued

BILL NO. 77 - AN ACT TO INCORPORATE CARMAN GOLF CLUB

MR. HENDERSON (Pembina) presented Bill 77, an Act to amend the Carman Golf Club, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Pembina.

MR. HENDERSON: Mr. Speaker, the Carman Golf Club was originally incorporated in 1930 under the provisions of the Manitoba Companies Act, as a private company, having an authorized capital of 5,000 shares divided into 200 shares, at \$25.00 each. In 1974, Supplementary Letters Patent were obtained amending the objects of the corporation by adding to the objectives that operation be carried on in a non-profit manner; profits, if any, to be used to further promotion of the game of golf. This was done primarily to satisfy the requirements of the Manitoba Liquor Control Commission.

Since that time the Carman Golf Club has purchased land with a view to expanding the present nine-hole course into an 18-hole course, and it has become increasingly evident to the executive of the club that a re-organization of the corporation structure is necessary to properly operate the club in the future. Several of the requirements of the club in regard to the management of shares cannot be granted by Letters Patent under the Company's Act and therefore an application is being made to the Manitoba Legislative Assembly for the incorporation of Carman Golf Club. The proposed bill is in a form very similar to Bell Acres Golf Club and the Country Golf Club and to Portage Curling Club, which was organized in a form very similar to that being undertaken by the Carman Golf Club. If the Legislature grants the application, the corporation created by the Act will take over all the assets and liabilities of the current Carman Golf Club Limited and each share of the existing corporation will be exchanged for a share in the new company.

The bill being presented to the Legislature will increase the number of shares to 1,000, allowing for a further expansion, and the club may sell them at prices to be determined by the Board of Directors. There is proposed to have the price remain at \$25.00 per share for now. The club will have the right to control the transfer of shares and to charge a fee on first admission to the club as a shareholder, whether it be by the purchase of a share from the club or by transfer of a share from one shareholder to another. Persons will be encouraged to purchase shares by granting a small reduction in annual membership fees to shareholders. It will not be necessary at this time to be a shareholder in order to be a member of the club, nor will it be necessary to be a member of the club to play golf on a daily basis.

The proposed bill specifies that there is to be no restriction on membership in the club. However, it is felt that restrictions on those who become shareholders is necessary, particularly to keep control of the club within the Carman area.

The proposed bill will also provide for assessment on shares. There will be an annual assessment on shares to keep the shares active if the holder of the shares chooses not to take out an annual membership. This is required to keep the holders of shares active in the club. Currently many of the shareholders listed on the company's books have moved away or are deceased, or simply no longer choose to be members of the club, and it is felt that an annual assessment of shares which if unpaid over the years will result in the shares being returned to the club. It will remedy the problem of inactive shareholders and will limit the shareholders to those truly interested in the club.

This has been prepared by people at Carman, it has been advertised in the local papers and everybody is aware of it, and if there's any questions when it goes to committee, there will be people there from Carman that will be prepared to answer your questions. And if anybody would like these notes that were prepared, they can have them.

QUESTION put MOTION carried.

BILL NO. 78 - AN ACT FOR THE RELIEF OF ERNEST ROBERT ANDERSON

MR. SPEAKER: Bill No. 78, the Honourable Member for Wellington.

MR. PHILIP M. PETURSSON (Wellington) presented Bill No. 78, An Act for the Relief of Ernest Robert Anderson, for second reading.

MOTION presented.

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MR. SPEAKER: The Honourable Member for Wellington.

MR. PETURSSON: Mr. Speaker, I rise to explain, to sound out in this Chamber, and I'm not sure how well I'll be able to explain. This is a matter that has arisen between Ernest Robert Anderson and members of a company which undertook to make repairs to a property that Mr. Anderson owned, and the repairs and renovations of the property took considerably longer than had been originally anticipated. Mr. Anderson was no longer able to make payment, as I understand, in any event, to the company for the work that they were doing and the company entered into foreclosure proceedings and the property was sold on January 3rd, 1964 and it was bought by one of the members of the company. Mr. Anderson commenced an action with respect to this matter in 1964 and the trial proceeded, but the trial could not be completed because of some problem in connection with form of the pleadings. He was advised that in order to proceed with the action he would have to discontinue the action and commence a new action to regain his property, but on discontinuing the action he became liable to pay the court costs which amounted to \$500, and at the time he did not have \$500 and was unable to pursue the action.

Now Mr. Anderson wishes to pick up the matter from where it was dropped and take action to regain his property. And although more than six years have elapsed since, he pleads that he be permitted to continue the action and to regain the property which was originally his and which he had held continuously over a considerable period of years.

I think this is the gist of the matter, Mr. Speaker. It is all set forth in the bill, and I think that for those who read it carefully it becomes quite understandable that Mr. Anderson should be permitted to continue with his action. That's about what it is, Mr. Speaker, and I feel that Mr. Anderson is justified in making this plea.

MR. SPEAKER: Does the honourable gentleman wish to debate the matter? The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I use this bill to speak to the question as it relates to all of the other bills that have come on the Order Paper and which continue to appear on the Order Paper with respect to the Legislature dealing with existing rights as between two private litigants. And I know that this Legislature has done this in the past, I expect that it will do it in the future. I want to indicate that I have never voted for such a bill. I don't know whether my indication is of any great consequence, but I do think, Mr. Speaker, that the things that I have said on previous occasions with bills of this kind are being realized, that when there is a problem where rights, whatever they are, have expired by existing law, that we find that the Legislature is being asked to rectify that problem, rather than rectifying the existing law. Now I'm not sure in this case whether I would want to deal with the law as it stands but we are not being asked to deal with the law, we're being asked to deal with a specific litigant in a specific case. How different, Mr. Speaker, from the case that we discussed the other day, where the rights as between the litigants I feel were decided improperly but we didn't try to rectify that case. As a matter of fact the judgment in that case stands. What we have done is try to deal with what we felt is an inequity in the law, which gave rise to that decision, and we have presented a bill to the Legislature and that is being dealt with. We've also dealt with the law with regard to limitation and have presented a bill to the Legislature with regard to limitation.

Mr. Speaker, it may appear that there's somebody callous, who doesn't want to deal with this rather unfortunate case, and all that is being asked for is a judicial hearing. But if that is done, Mr. Speaker, you may as well not have Limitations Act, and let the normal law what we call of laches, which deals with people who have slept on their rights or cases which have come to the courts when it's impossible to determine properly the facts, take its course. Now we haven't decided to that nor has that been presented.

Mr. Speaker, I cannot support such a bill. I think that it is unfortunate that I particularly rise with respect to a particular bill, because my feelings were the same with regard to Bill No. 24. I have risen in this House in opposition and in government with respect to similar bills. I rather expect that the members who have sent one bill to committee should not change their positions and not send another bill to committee. All I'm really doing is speaking to this question in principle as to how these things are dealt with. Members have already sent one bill to committee. I expect that they will send this

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(MR. GREEN cont'd) bill to committee, but in doing so I would ask them not to be so matter of fact about opening up specific cases for a specific litigant. I probably will make my position more strongly at committee or if the bill ever gets to third reading, but I do want to indicate, Mr. Speaker, that my silence on Bill No. 24 does not change the view that I have taken with regard to these bills. I'm speaking to this question specifically on Bill No. 78. Members have sent the other bill to the committee and I don't agree with that. I don't agree with sending this bill to committee, but it probably can be dealt with on the basis that previous bills have been dealt with if members wish to be consistent. I think I'm indicating that what I predicted would be a problem when I spoke on this while a member of the opposition, is in fact taking place. Which case do you not allow?

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, I listened with interest to the House Leader making a case against the practice that has been fairly general in this Chamber now for a number of years, and I frankly confess that it has been of some concern to me as well. It seems that with almost casual disregard we observe the laws that we pass in this House, and we have another resolution on the Order Paper right now which essentially is doing the very same thing. And it is again a practice that has been carried on over a number of years. I, like the House Leader, have made suggestions as to how that particular problem could be overcome, that we wouldn't have to deal with that situation from time to time. It's one that I think should be dealt with on the basis of a firm rule of law and then we would not be confronted with these situations as frequently as we do. I agree with the House Leader, that having accepted bills of this nature in the past, it would be inconsistent to vote against this particular one now, and I think it also would be very unfair, so I don't propose to do that. But I want to agree with the sentiments expressed by the House Leader, that there must be a better way of dealing with these particular problems, and if it means a change in the existing statutes that are affected, then by all means let's have a review position in those statutes. Whether these cases will increase in frequency or not if provision is made I don't know - one has to consider that I suppose. But I do agree with the House Leader that there must be a better way of dealing with these things when they rise from time to time.

QUESTION put MOTION carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I wonder if there's anybody who is prepared to speak on Bill 79 which stands in the name of the Member for Fort Garry.

BILL NO. 79 - AN ACT FOR GRANTING TO HER MAJESTY CERTAIN
SUMS OF MONEY FOR THE PUBLIC SERVICE OF THE PROVINCE FOR
THE FISCAL YEAR ENDING THE 31ST DAY OF MARCH, 1977

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, if nobody else wants to say anything, maybe the House Leader wouldn't mind if I said a few words about the Morris Stampede.

I rise primarily to deal with the remarks made the other day by the House Leader and now that he has disappeared then my purpose in rising has also - it has not disappeared, but at least the effectiveness of my remarks will now be somewhat dissipated.

Sir, the question arose the other day as to the government's role in the development of industry in this province, and if I interpreted the remarks of the First Minister and the government House Leader correctly, in answering criticism of the handling of Saunders Aircraft and Flyer Coach Industries in particular, they attempted to defend that position by suggesting that to a large extent they were victims of circumstances, I suppose, but more particularly because they felt that a government's presence in the development of industry in this province was an essential part of government activity. Well I, Sir, have never believed that it's the government's role to create jobs. I think if a government begins to operate on that premise, that's where the difficulties arise and all sorts of distortions flow from that original misconception of a government's role.

I believe it's certainly the government's responsibility to create an atmosphere

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(MR. JORGENSON cont d). . . . and a climate in which jobs can be created, but the direct creation of jobs by the government itself creates more problems than it was intended to solve in the first place. We've had many examples of that. We've had examples of that in this province. We have had examples of that in other provinces. We've had examples of it in other countries. I refer you perhaps more particularly now to, in the light of what has happened in Great Britain, to that country and the difficulties that they are being faced with at the present time. One problem compounded upon another one simply because of the obsession on the part of certain governments that they had to exercise a greater and greater presence in the economy.

I suppose at one time, and that was 15 or more years ago, it was felt that a government presence was necessary in order to find sufficient capital to enable private entrepreneurs to establish themselves in businesses. I don't deny that that particular situation existed. It existed in my view as a result of the inadequacy of our Banking Act and our banking laws, which to a large extent prevented banks from moving into areas of loans that would enable private entrepreneurs to develop industries or enterprises that could create jobs.

We differ from the Americans in that singular respect, and I suppose that we have - and we have - made a choice as between the security that is provided the investor in our banks from the collapse of those banks as opposed to the uncertainty that exists in the American system. But the very uncertainty that is inherent in the American system insofar as the investors are concerned also creates greater opportunities and greater exercising of judgment on the part of the individual bankers. So the banking system in the United States, although we took a different course in developing our banking system in Canada, did provide some advantages that were not available to Canadian entrepreneurs. In order to overcome that problem it seemed that governments felt that they themselves had to intervene directly into the banking business by setting up development corporations such as is in this province, and indeed I suppose, in fact, every province in Canada, for the purpose of providing the kind of risk capital that was not available to them under the existing system at that time. To a certain extent that method is now changed and we find the banks now becoming more and more involved in loans that it was not possible for them to become involved in a number of years ago. One cannot help but wonder if now the role of government direct involvement in lending has also come to an end. Certainly the experiences that we've had would lead one to the conclusion that whatever help it might have provided under limited circumstances and in limited instances has been somewhat, if not entirely, offset by the disasters that have occurred as well. One simply has to view the situation now in the light of existing conditions and with the experience that we now have.

One thing that I think has been very forcibly drawn to our attention and that is the government's direct involvement in the business, the running of a business by a government, is an unmitigated disaster, and the reasons for it are very obvious if we care to look for them. I recall a few years ago I was doing some investigation as a result of the announcement by the Minister of Agriculture of his intention to impose a Hog Marketing Board on behalf of the hog producers of Manitoba, and his statements to the effect that there were large entrepreneurs that were going to be moving in to the hog production industry and would destroy that industry for the private family-farm-operator.

I phoned and spoke to a number of these so-called large entrepreneurs, and one of them that I spoke to was the Winnipegosis operation which was a sort of a local operation and was designed to meet a particular problem that existed at that time in the selling of grain. Their removal from the market created a situation there that it perhaps was more difficult for them to move a product for which there was very little demand at that time than in many others parts of the country, and this operation was set up for the purpose of finding a market for much of the grain that was grown in that area, and to that extent it was very successful.

It was a sort of a co-operative enterprise and many of the people who supplied the inputs, that is the grain into that operation, were also people that worked at the plant. I recall talking to the manager of the operation who had worked for a large milling company in Ontario for a number of years - his name escapes me at the moment - and asked

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(MR. JORGENSON cont'd). . . .him if his operation which was a locally controlled one would be in any danger of competition from, well, such operations as Labatts, Ogilvie and National Grain, and other operations like this, and his answer was a very interesting one. He told me that they were not worried because there was a tendency on the part of people who worked for large companies and large operations to assume that the money-well never runs dry and that they can impose the working conditions that they choose on those people. In other words, they would become unionized; they would work a limited number of hours a day; they'd be watching the clocks, and they would be wanting all sorts of conditions attached to labour, which in an industrial enterprise are reasonable requests to be making. But anybody that's ever had anything to do with the farming operation knows that at 5 o'clock or 4:30, or whatever the case may be, if you've got a group of sows farrowing in a pen you don't punch a clock and walk out. So he told me that because of that particular circumstance a small operation, a family farm, or a co-operative would always be able to out-produce any operation that was run on a large scale or controlled by a large corporation, because there would be a greater amount of personal interest shown in the success of that particular operation.

In much the same way, Sir, in fact to even a larger extent, when people know they're working for the government they even extend that - and we've seen many examples of that in the last few years - because they know that that particular well never runs dry and that they can continue to operate on deficits, as indeed they've done in Flyer, and indeed they've done in Saunders, and just get more money poured in; and in spite of the fact that Saunders Aircraft was in deep trouble from the time that it started there was no reluctance on the part of those people working there to negotiate for higher and higher and higher wages, knowing full well that it had to come to an end sooner or later. For that reason there isn't the same kind of output as there would be in an operation in which the worker or the management had a direct and personal interest.

When was the last time, Sir, that you ever heard of a government standing up in this House bragging that they had created an enterprise that was making money? Almost invariably when a government stands up to talk about an operation that they're involved in whether it be Flyer, Saunders, or whatever, they talk about the jobs that they've created. If the purpose of any enterprise starting up is nothing more than the creation of jobs, then it is doomed to failure. There is only one reason why a business of any kind should start up in this country, and that is to create the profit for the person who starts it. Without that kind of an incentive it is doomed to failure. Unless it's propped up, subsidized by taxpayers who have little or no relationship to that particular operation, then it will not survive. We have seen that experience over and over again in every venture that the government has ever gone into.

But there is even a worse motivation now for that sort of thing happening and that has aggravated these situations even worse and encouraged governments to even go further into this morass, and that is the provision of DREE grants, right now. And that was outlined by the Minister of Mines and Resources yesterday when he said that the government would have been foolish and would have been criticized if they did not take advantage of all of the largesse that was available to them, and probably that would be true. It would have been true they probably would have been criticized, whether it would have been justified or not is another question. I can assure the Minister that I never would have criticized them for it, and maybe others would have, because I have felt for a long time that the provision of DREE grants, and if there could be any criticism of the Department of Health and Social Development paying out welfare to individuals who are unfortunately unable to make their way in the work place, then that kind of criticism should pale into insignificance compared to the abuse and the misuse of taxpayers' money in the paying out of DREE grants. It is nothing more in my view than an opportunity for private entrepreneurs to - as I attempted to illustrate in a television show one night - an opportunity for them to milk the taxpayer, knowing full well that you're not going to, with organized labour the way they are now, there is no way that you're going to exploit labor, and that's proper, I'm not criticizing that.

But then why do we have to provide an opportunity for them to exploit the most

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(MR. JORGENSEN cont'd) defenseless person of all, the taxpayer, through the provision of grants that achieve no useful purpose, create no jobs that would not have been created by a proper political climate or economic climate in the first place; all it does is distort the particular marketplace for which that industry was developed. We've had two classic examples - and they've both been debated on a number of occasions in this Chamber - the first one is Saunders, which had no technical or economic justification for its existence, competing in a market that was saturated and subsidized in all other areas of the world - and I say particularly in the United States - and for a very limited market to begin with, indeed it has been proven virtually no market whatsoever. That was a failure. I hope that we can profit from that particular experience at least to the extent that we recognize - not that there would have been a great deal of difference as to who ran it and who started it, I don't think there would have been. It's not the question of whether or not the socialists or the pseudo-socialists or the free enterprising socialists, or any other kind of person is involved in a thing like that, basically it is wrong, and it is doomed to failure right from the outset. If we can recognize that, then at least there is \$37 million worth of experience that we have.

But we have on the other hand another operation that had all of the ingredients of success. It had the market. It had the financial backing, and we presumed it had the technology. What went wrong there? I think if we examined it logically and if we don't get too wrapped up in ideology on this - and the Minister is always encouraging us not to get wrapped up in ideology - if we can examine the whole thing dispassionately, I think we'll come to that conclusion - I don't say I'm the only one that's come to it - we'll come to the conclusion that government involvement in business will never be successful if it is predicated on the assumption that the only purpose in going into business in the first place is to create jobs.

So when we consider more ways for government to become involved, let us look at the lessons of the past, and let us then examine what is the alternative, if the government feels it has a responsibility. Well then, in my view the real responsibility of government is to create employment in the particular province in which they have jurisdiction, or to the particular country that they have jurisdiction, for the private entrepreneur to risk his own money and to reap whatever rewards that he feels that he can get from that investment and that risk and that ingenuity and that balance that he put into it, subject to the conditions that are laid down, labour laws etc. But I will go a little further and say, that, since we have reached the stage where exploitation of labour can no longer be a condition upon which an enterprise is established, or a reason that it is established in order to make a profit, then there must be some other way of involving the worker in that particular enterprise. There is such a way and I have made suggestions in this House from time to time as to how that can be done, and indeed it is being practised in this country in many areas. I don't think that this government, and in particular this Minister of Labour - I know he's not in the House - is giving enough attention to the encouragement of worker participation in enterprises. Wherever it has been in operation it has demonstrated that the profit-sharing concept of developing businesses is one that has so many advantages over the present confrontation that constantly exists between worker and management, that it amazes me that governments would not want, unless there is an ulterior motive behind governments wanting to, to encourage this kind of confrontation. And I don't believe that the Minister of Mines and Resources wants to do that. I can't say the same for some of his colleagues - when you listen to some of the comments made by some honourable gentlemen opposite you begin to wonder what their real motivation is - the perpetuation of that kind of confrontation between management and labour does no good for this country, for the worker or for management. And yet one is drawn to the inevitable conclusion that they're enamoured with that kind of politics --(Interjection)-- yes, as my friend the Member for Brandon said, they've done a beautiful job in England in carrying that to the ultimate - even to the extent now, that representatives of the Labour Government are admitting the mistakes that have been made and are attempting to withdraw themselves, move from that kind of climate that they have created.

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(MR. JORGENSON cont'd)

I say to my honourable friends opposite that we have an opportunity here to build an economic climate by the encouragement of profit-sharing, which will in my view take a great deal of the drabness out of the conditions under which many of our people will work in factories, by providing them with an opportunity to become investors and managers as well as workers, where they have a direct interest. I have never seen or heard one single word of encouragement on the part of honourable gentlemen opposite into the development of a profit-sharing concept of entrepreneurship in this country, not one single word. And that in itself would appear to me to be significant, Sir. I ask them to ask themselves the reasons why they are afraid of this concept or that they are opposed to it, and if they're neither afraid nor opposed, why they have not even publically, even in isolated cases, attempted to encourage it.

I conclude simply by repeating that surely there must have been some lessons that we could have learned in the experiences that we've had in government's involvement. And I don't think that the conclusions that we can draw, or that those that were responsible for the management of Flyer and Saunders - and CFI, certainly - can take any comfort from the assertion that they were better managers than somebody else would have been. But I think the real conclusion is that it doesn't matter who manages, the very nature of government involvement in business is doomed to failure, and that we should abandon any attempt to become involved in that way and look for better ways - and there are better ways of encouraging the creation of jobs and a climate where people can prosper and participate in the work that they are doing, encourages government to show some leadership in that direction rather than attempting to justify the mistakes of the past, because they cannot and will not be justified.

MR. SPEAKER: The motion will remain in the name of the Honourable Member for Fort Garry. The Honourable House Leader. The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, if I may, I would pass this bill with some remarks, which the First Minister is asking us to approve, the billion, 157 million and some odd, I think there are certain levels of criticism that should be earmarked and labelled today as we move on in the debate.

Mr. Speaker, I would hope that the government will take a very serious look at the severe flooding conditions that have existed in this province, and I think that we have to do more than we have done in the past if we're going to save this agricultural heritage. The matter is not going to go away. I don't think the government and the First Minister has moved fast enough, I don't think they have done all the things that they could do to try and solve this what looks like to be an annual problem. Certainly we have debated it and discussed it in some depth, but I would like to again put on the record that I think this has got to be moved up amongst the priorities of the government, and that we must hopefully find some other way that we can deal with this terrible problem of the high waters that we are experiencing in this province at this time.

Mr. Speaker, I cannot help but comment on the Saunders' fiasco, the \$40 million that's now washed down the drain and the poor management that has been exercised with this project. It was very interesting to hear the First Minister in his comments yesterday say that basically the idea of the development at Gimli was mainly for jobs. I just wonder, Mr. Speaker, if the record has ever shown how many Gimli people were actually employed in that plant. I suspect there were not very many, Mr. Speaker. There were some, but there were certainly a lot of people from the city that were employed in that development at Gimli who basically weren't laid off because of the closing of the air base. I suspect that they were technical people that were brought from various parts of the world, who basically are not included in the argument. I think the Member for Morris has put into the record a good example for governments to be very very careful when you start moving into the industrial community, especially in fields such as airplanes, where it was well-known before the government ventured into it what was going to happen.

Mr. Speaker, I can't understand as well the housing priorities of the Minister of Urban Affairs. In his estimates he gave us to understand that the dollars that were developed into housing were going into the larger and into the growth centres of this

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(MR. MCKENZIE cont'd) province. And Mr. Speaker, I find out here last week the Minister of Highways announces through a little country paper that housing is going into one of the smaller communities in his constituency, the direct opposite to the comments that are raised by the Minister of Urban Affairs. And I wonder who is calling the shots in this matter, because I was left with the impression, many members of this House were left with the impression that the priorities were established and the money would be allocated in the larger and the growth centres, and we find out in a very short time, that isn't so. Now I wonder who is pulling the strings. Is the Minister not being fair and honest with us? Because I was left with the impression there was no hope for development in these smaller centres, but apparently it has happened - an announcement in a small country paper. I haven't had an answer yet as to why it was done that way and why it was in complete disagreement with the statements that were made in the reviewing of the estimates.

The other thing I want to put in the record is the Minister of Highways' terrible management of our road system in this province. I don't think we're getting dollar value for the expenditures of money. We can see our road system being degraded and going downhill every day, and I don't know what plans the Minister has, whether in fact he's going to just let them go or what's going to happen. But the PR system has been badly neglected, and whether it's through better management, I don't know, but I think for the money that we're allocating in the estimates, that we are not being fairly dealt with, especially in the rural areas, in our roads and highway systems.

The other one, Mr. Speaker, is that I wonder about the Valley River control structure which was on the records when I first came into the Legislature in 1966, they were looking at some kind of control structure in the area of Grandview at that time. I was led to believe the matter had certain priorities at the time and it would be dealt with. Now there's been a lawsuit over it and the thing is still not resolved. I would hope that maybe the government will see if there is a possibility of that structure being recognized in the not too distant future. With those few remarks, Mr. Speaker, I would be prepared to move the bill along.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON (Wolseley): I'd like to speak on the principle of this Bill 79, where I think I should take this opportunity to record a few of the taxpayers' concerns because I am being asked to vote a sum of \$1,129 million. I think one can't let that amount of money go by without at least expressing the concerns of one member opposite who is suggesting that there has to be a great deal of criticism and examples of waste as you get into the different departments. It just seems that, examining history, you see the government tampers with success, they seem to try to succeed in different companies and different programs and somehow or other success seems to have passed them by, Mr. Speaker. You can't help but, on any type of research, come up with many many examples of waste and squandering of funds, and I think that you really should at every opportunity place on the record these types of examples. I think it's unfair that future generations are going to have to suffer and possibly go out and work six months, when somebody twenty years from now hits the work force at age 18, he's going to have to work for six months to pay for the legacy left to them by the New Democratic Government from 1969 to 1976, where he's going to have to be at least, probably around \$5,000 because of borrowing and the debt picture. I know it is said that right now it's only \$2,800 per capita, but when you consider a lot of the population, the babies, or people that aren't in the work force, that that fellow going into the work force years down the road is going to be really saddled with a debt that we've left with him.

Another thing that concerns me when I'm being asked to vote this kind of money, a large portion of it is for wages, for the ability and the confidence of the administration. I'm concerned that I couldn't get answers to my questions, one of them was an Order for Return, a simple situation where I wanted a list of all the relatives of the Cabinet Ministers, and I think I should include all the Members of the government, so we could have an examination to see. Because sometimes you know relatives turn out to be very very capable. I can't help but recall how many friends somehow or other seem to change

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(MR. WILSON cont'd) positions as the new government takes over, and I remember the Minister of Tourism emptying out some of the Credit Union offices and some of them today find themselves in very high positions in the government, and much to my surprise one of them has worked out very well. So sometimes that decision has a positive side. But I think if we knew who these people were, and I'm sure the government should be able to tell us, that we could then look at the programs and say, well, why have they tampered with success, why has this program failed, and maybe if you find that somehow or other the best man doesn't have the job, or there's some kind of restrictions on the person to prevent him from carrying out a successful program. So that's one area that I was concerned with, this lack of information pertaining to the large number of relatives in high positions in the government, or for that matter, any position in the government. I think it was the Minister of Health himself who spoke almost an hour defending one particular relative, and nobody had suggested that he had to defend that relative in the House but it did bring forth a very interesting situation when you started to look at that particular Minister, just himself.

I think that also his refusal to answer my questions on the Mincome Program in which I had pleaded with the Minister to be honest with the taxpayers, that the program itself is the solution. But nobody wants to dismantle their large department, the empire that's been built up. So what is happening? The Minister quoted the other day that the Mincome plans may be futile. Why did it take a newspaper reporter to get the answer when the Minister was asked five or six times: What is going to happen to this \$17 million provincial experiment? And I just for the life of me can't understand why, when we're willing to say in public that the program may be worthless, nothing was to be gained by it, why we would go into a partnership with the Federal Government without speaking up and saying it's a great idea but let's be practical. There's nobody, no Minister is going to go out and lay off all his social workers, all his welfare workers, dismantle all those buildings and offices and sell off the furniture at public auctions, lay all those people off and expect to be popular. One Minister in Ontario tried to close down a couple of hospitals and there's rioting whenever he pays a visit to their town.

So when I'm being asked to vote in favour of a billion dollars, I can't help but express my sorrow that we are saddling future generations with a large debt. And I couldn't help but look at some of these absolutely ridiculous politicized co-operative loans under MDC, and a lot of these particular things, that this money is just given out with no concern for the taxpayer at all. It's not run like a business. There's one clause in there where I read that the people who can borrow the money somewhere else are not supposed to qualify for a loan. You just have to examine many of these situations and you would know that the lending institutes, if they could place a good under-lien through a chattel, would have loaned them the money. The tragedy of it all is that the word gets out - all these questionable businessmen, certainly in the past, came into Manitoba and took advantage of what appeared to be a very interesting situation. The follow-up on these loans is terrible and there should be some enforcement, some duty to the taxpayers to recover some of this money. So in other words, when you're voting for a billion dollar budget and you point out many examples of waste, then you just simply have to say to yourself, well what's it all about? And you almost have a tendency to voice your disapproval of this amount of money, based on the fact that they seem to have these particular departments and everyone has a budget, and towards the end of the year there's a great rush to go out and spend the budget - a great rush, they won't have anything left to turn back into the Consolidated Fund.

This is one of the areas that I'm concerned with, the priorities. Some of these particular departments should have had more money and others could have almost been cut down by a substantial percentage. Certainly the area that I look at, the Consumer and Corporate Affairs and Internal Services, in a time of restraint, I for the life of me can't figure out why we're going out and consumerizing, protecting everybody with all sorts of additional staff, lots of pamphlets and printing and what have you. The other day I got an Order for Return under the Advertising Section where every program has to be on radio and TV - it's an absolute waste of money in a time of restraint.

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(MR. WILSON cont'd)

So, Mr. Speaker, with those few comments, I just wanted to speak on this Bill No. 79, because in my opinion there's just too many examples of waste in this particular thing to really indicate support, and I think that when you're saddling future generations with a large debt you have to ask: Let's look at some of these programs, let's be honest for a change, and when somebody comes up on a question of the Mincome Program and says, if it costs a dollar to give away a dollar, and most of the jobs that we're creating through this thing are contract people that are coming from south of the border, what good is it doing for the communities? I mean, are you going into a particular community where there's a lot of people on unemployment, make-work projects, and that? No, what you're doing is, you're having all these experts come in on contract from south of the border, they go into a town and they can't find enough customers so then they come into Winnipeg and still can't find enough customers, so what they do is they then increase the amount. So from 5,500 to 17,500. . . because they've got to go out, and if you're lucky enough to be chosen in this Mincome lottery, then what happens? You can sit back and plant a garden and watch the world go by, and you have a guaranteed annual income while the rest of us work. I would think that that is one thing that the Minister shouldn't be going to the newspaper and saying it may be futile. If he wants to turn around and say, I am closing down this program, we have some commitments we've got to look at, and if we legally can't get out of them, fine, we'll go along with our commitments, but otherwise we are not spending another dollar. And these people up there will be laid off and we'll spend this money on needed beds for sick people and day care centres and some of the worthwhile programs that are of service to people.

So --(Interjection)-- my colleague here from Rock Lake --(Interjection)-- well no, this is one of the programs. You ask these questions in the House of the Minister and you can't find out the answers, the only way you could find out is through his daily press conference. He's one of the superstars, so the media follows him around and you have to read all his answers to your questions in the newspaper the following day, you don't get them in the House.

So with those few remarks, I'll sit down. But basically I'm concerned about the priority of how you spend this money, and I think there should be a task-force set up to see that the money could be spent in a better way.

I had a complaint the other day. The Minister of Urban Affairs was kind enough to recognize a concern that I had that 19 of his department's homes were falling into a state of disrepair. So what they did, they turned around - and I don't know who they hired, but the neighbours started complaining because it took them over two weeks to build some steps on one house - six men standing around making out like they're working. Now that's what we call a make-work project. They make an announcement that they're going to spend \$50 million on urban renewal. Upon examination you find out the majority of the money is to go to edifices for the Public Works Minister who is going to be building at least five major buildings in the downtown area. And out of that \$50 million the low income people are led to believe it's going to be for housing. I doubt if 7 or \$8 million will go to housing. And there was supposed to be \$1-½ million for recreation. I submit by the time the commercial acquisition on that takes place, there won't be any recreation improvements in the core area out of that \$50 million. I would even suggest that there will be less than \$7 million goes to housing, and it will go downwards.

Another thing is, that when you somehow or other through open government let everybody know you're coming, it's amazing how the costs of commercial acquisition through long-term recently signed leases, where the ink isn't even dry, these things cost us huge sums of money. And I think what should have happened - the Brunswick Hotel location was one - if it was properly done - and an example from the city level would be the Trizec - if His Worship hadn't have called a press conference three, four months ahead of the Legal Department being ready with the notices of expropriation, that type of openness costs the taxpayers millions of dollars, because leases are signed, transactions take place, values are established upwards. And with that type of speculation through open government, some protection for the taxpayer should take place that no announcement

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(MR. WILSON cont'd)of a public structure should be made to the media or to friends or what-have-you that allows speculation to take place at the taxpayers' expense.

Those are just a few examples which remind me of some of the ridiculous things that we end up loaning money for. And that's an area where I think if we can't loan out the money to create jobs - and many of the loans were for insurance companies, what kind of jobs can insurance companies - one in Thompson, they loaned him \$20,000 or \$30,000 - what kind of jobs does that create? Spray can business down there, where they were going to go into the hair spray business. What kind of jobs do those create?

Well this is the type of thing that I scratch my head and wonder. Of course the Member for St. James talked about the Clare situation where they were selling books in the United States and most of the work is done in Vancouver - no jobs for Manitoba. And those are of concern to me.

So when you look at this large budget and you look at priorities, where the Minister of Tourism has so much money that he's going into the cabin building business in Provincial Parks - these are the kinds of things that I'm concerned about.

MR. SPEAKER: Order please. Order please. The hour is 12:30. Did the Honourable Member for Wolseley complete his remarks? Well that sets up a problem, because I already have the adjournment in a person's name. --(Interjection)-- The hour being 12:30, I'll deal with it later.

The hour being 12:30, I am adjourning the House and the House will reconvene at 2:30 this afternoon.