

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 7 May, 1981

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

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

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS McGREGOR: Mr. Speaker, I beg to present the sixth report of the Standing Committee on Economic Development.

MR. CLERK, Mr. Jack Reeves: Your Committee met on Thursday, May, 7, 1981, to consider the Financial Statement of McKenzie Steele Briggs Seeds.

Messrs. E. Mazer, Chairman of the Board of Directors and W. A. Moore, President and General Manager of McKenzie Steele Briggs Seeds, provided such information as was required by members of the Committee with respect to the Company.

The Financial Statement of McKenzie Steele Briggs Seeds for the year ended October 31, 1980, was adopted.

MR. SPEAKER: The Honourable Member for Virden.

MR. McGREGOR: Mr. Speaker, I move, seconded by the Honourable Member for Radisson 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

HON. KEN MacMASTER (Thompson) introduced Bill No. 62, An Act to amend The Workers Compensation Act. (Recommended by His Honour the Lieutenant-Governor)

INTRODUCTION OF GUESTS

MR. SPEAKER: At this time I would like to draw the honourable members' attention to the gallery where we have 24 students of Grade 7 standing from Holy Cross School, under the direction of Ms. Hyrniuk. This school is in the constituency of the Honourable Member for St. Boniface.

We have 25 students of Grade 8 standing from Richer School, under the direction of Mr. Hupe. This school is in the constituency of the Honourable Minister of Fitness and Amateur Sport.

We also have 28 students of Grades 10, 11, and 12 standing from the Morris Collegiate, under the direction of Miss Cora Hew and Mr. Straszynski. This school is in the constituency of the Honourable Minister of Government Services.

On behalf of all the honourable members we welcome you here this afternoon.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): Mr. Speaker, my question is to the Attorney-General.

Can the Attorney-General confirm that it indeed is a principle that he supports that every litigant in the Province of Manitoba is entitled to legal counsel before the superior courts of the province?

MR. SPEAKER: The Honourable Attorney-General.

HON. GERALD W.J. MERCIER (Osborne): In general, Mr. Speaker, yes.

MR. PAWLEY: Mr. Speaker, further to the Attorney-General, will the Attorney-General investigate the case of one Mr. Olson, who apparently is presently before the Court of Appeal without legal counsel, and in his initial hearing before the Court of Appeal the Chief Justice indicated that although the plaintiff may be a difficult client, he still is entitled to justice just as much as a co-operative client.

Would the Attorney-General investigate this matter to ascertain by what means he can ensure that indeed the litigant in this case does receive legal counsel?

MR. MERCIER: Mr. Speaker, the gentleman that is referred to has written to me on a few occasions with respect to this matter and I have attempted to respond to his correspondence and to provide him with a method of obtaining a lawyer either within this province or out-of-province counsel.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, just before I ask my question it might be wise for the Attorney-General to appoint the Leader of the Opposition, who is a lawyer, to represent Mr. Olson, who has seen lots of lawyers.

MR. SPEAKER: Order please.
The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, I'm not sure if I'd want to do that to anybody.

MR. GREEN: I say that, Mr. Speaker, in seriousness because I am one of the people who was approached by Mr. Olson and I'm not now representing him.

May I put a question to the Honourable Minister of Labour? Can I ask the Minister of Labour whether he has now had an opportunity to determine whether the presence on the Labour Board of a gentleman who is involved in counselling people as to how they can avoid the organization of employees of

establishments in their particular establishment, something which The Labour Relations Act seeks to foster, whether that is consistent with the position of the government vis-a-vis members on the Labour Relations Board?

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: I think the basis of the question, Mr. Speaker, was, have I reached an opinion or received an opinion and the answer to that is no.

MR. GREEN: Mr. Speaker, may I ask the Minister, who has answered that he has not reached an opinion, may I ask him whether he has studied the material?

MR. MacMASTER: Mr. Speaker, I have read through the material, yes.

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

MR. GREEN: Mr. Speaker, then may I conclude that the Honourable Minister, having read through the material, which includes a memorandum to various hotels telling how they could avoid union organization, that he has not yet formed an opinion as to whether the presence of a person giving such advice on the Labour Relations Board is consistent with stable industrial relations in this province.

MR. MacMASTER: Mr. Speaker, I have read the opinion — I have read the material. Also when you read the legislation, you find yourself, I guess, in wonder at the wording of the legislation, where in one particular section of the legislation — I'm dealing with how you end up with a Labour Board in Manitoba — one particular section of the legislation directs that a Minister should seek out and obtain biased, partial people to sit on the board, half of which shall represent employees, half of which shall represent employers. Following that, a section or two or three later, it says, now that the Minister has gathered these together, now they are to act in an impartial manner. There is some difficulty with that, but no difficulty that we haven't lived with in Manitoba for many years.

MR. GREEN: Mr. Speaker, conceding the fact, which is known to everybody, and you don't have to look at the legislation, that appointees to the Labour Relations Board come with either the viewpoint of management or of labour, does the Minister, given that fact, have difficulty deciding whether or not a member of the Labour Board should be involved in counselling people how they can avoid union organization within establishments in the Province of Manitoba?

MR. MacMASTER: Mr. Speaker, whether I agree with the particular piece of literature in question or not, I don't think it's any secret that some employers advocate ways to create a situation where they don't have to be unionized and good organizers and union representatives advocate ways that they can organize plants. That's part of society; that's part of that world that a lot of us are aware of.

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

MR. SAMUEL USKIW: Mr. Speaker, I wish to ask the Minister of Finance whether he can indicate to the House just what kind of strategy he is developing or employing with respect to the forthcoming equalization discussions with the Government of Canada and in particular, vis-a-vis the other provinces in Canada, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Finance.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, I think that question is perhaps too general to be dealt with in question period, but I can tell the honourable member that I did have the opportunity to meet with the Ministers of Finance from Saskatchewan, Alberta and B.C. in Victoria earlier this week. We had a general agreement that the present equalization system and the system of Federal transfers is serving well and that we would wish to see those arrangements continue.

We have expressed concern that there has not been a definitive position put forward by the Federal Government. We have only indications and general statements as to what the Federal Government's intentions might be and we have urged the Federal Government to sit down at the earliest opportunity to have meaningful discussions with the provinces if we're to contribute positively to Federal-Provincial relations. The Western Finance Ministers plan to meet again at the beginning of June for further discussions.

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

MR. USKIW: Given the fact that the Minister has met with his three western counterparts representing Saskatchewan, Alberta and British Columbia, I want to ask him what schedule of meetings have been arranged with the other Ministers representing the other provinces in Canada?

MR. RANSOM: Mr. Speaker, there has been an indication from Ontario that they would like to see provincial ministers get together at an early date. The western ministers feel that it is a wise thing, it would be a productive thing for provincial ministers to get together before the end of June perhaps to discuss the great number of issues that are before the provincial ministers at this time and try and get the better understanding of the various provincial positions. We would hope that that sort of meeting could take place before the end of June.

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

MR. USKIW: Mr. Speaker, I would like to ask the Minister to explain why it is that he has chosen to seek out a unified western position on equalization, whereas he has not bothered to consult with those provinces who are indeed in receipt of equalization payments along with Manitoba. The three western provinces that he is consulting with are all contributing toward equalization and are not in receipt of the same, and therefore Manitoba's interest may not lie with that particular arrangement, Mr. Speaker. I want to know when, and if there is

going to be, and when it is going to be, a meeting called with the provinces that are recipients who have the same interests vis-a-vis the Government of Canada as does the Province of Manitoba?

MR. RANSOM: Mr. Speaker, we have been pursuing a course which is one that has been followed, a pattern that has been followed in the past, that prior to the formation of the present agreements that are in place, the western provinces had met together and had agreed on some general approaches, which they then took to the meeting of provincial and federal Ministers and were able to play a significant role in those discussions. Mr. Speaker, that is the same sort of pattern that is being pursued at the moment. As I said before, we would hope that we would be able to convene a meeting before the end of June with all of the provincial Finance Ministers, chaired by the Honourable Hugh Curtis from British Columbia. Since the British Columbia Premier will be serving as Chairman of the Premiers' Conference, we think it would be appropriate for the meeting to be chaired by that Minister and that it should be held before the end of June.

MR. SPEAKER: The Honourable Member for Lac du Bonnet with a new question?

MR. USKIW: No, I have one further question, Mr. Speaker, on the same subject, and that is whether or not the Minister would consider it prudent to set up a meeting, in fact encourage a meeting with respect to those provinces that are recipients of equalization payments, since they have much more in common with the Province of Manitoba than those provinces who are making contributions into that fund?

MR. RANSOM: We have had contacts with the other provinces, Mr. Speaker, on a staff level. We have not had meetings at the ministerial level yet and I am assuming that we will be successful in calling a meeting of all provinces prior to the end of June to deal with, hopefully, what the the provinces could see as a unified position, at least unified to the greatest extent possible with respect to proposals by the Federal Government.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MS. JUNE WESTBURY: Thank you, Mr. Speaker. My question is addressed to the Honourable Minister of Health. Would the Minister be kind enough to tell us whether he has instructed his senior departmental officials not to appear on open line or other radio programs?

HON. L.R. (Bud) SHERMAN (Fort Garry): No, Mr. Speaker.

MS. WESTBURY: I wonder, Mr. Speaker, if the Minister would comment on a reply that was given to the effect that an offer to appear on a program was declined because policy questions might arise and Pharmacare officials would not appear without the Minister? Would the Minister encourage his senior staff to be available for public questions at such times as Pharmacare receipts are due to come in, when there's a deadline coming in, rather than ignoring the fact that they refuse to do so.

MR. SHERMAN: No, Mr. Speaker, the current system is working very well. Enquiries of that nature are certainly handled by departmental officials. Information is distributed through the Information Services Branch of the government on such questions as dates and issues, as those to which the honourable member refers. Policy matters are handled by the Minister.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: My question is to the Minister responsible for Natural Resources, Mr. Speaker. Earlier in the week the Minister made a firm commitment to come back with information in response to a question on my part respecting the continued operation of the Natural Resources Office in Churchill, Manitoba. I would wonder if the Minister would have that information available at this time?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. HARRY J. ENNS (Lakeside): Mr. Speaker, the honourable member should be aware that there's been no basic change in the staffing at the Natural Resources Office in Churchill. The Conservation Officer in question still continues to operate out of that office. We have had the loss of one clerical position in the last very short while, matter of a week, which we will be attempting to replace when a suitable candidate can be found.

On the other question that the honourable member asked me in connection with the regulations to be drawn up for the management of the Churchill Wildlife Management Area, I must indicate to him those regulations are still in the process of being drawn up. I think he was on the mailing list that received the general proposed programs for the Wildlife Management Area which are being currently circulated among local people and we have not received word back from all the people contacted, so the actual specific regulations still await formulation.

MR. COWAN: Well, first things first, Mr. Speaker. In response to the Minister's first statement, he should be aware that there was also a biologist and two technicians working out of that . . .

MR. SPEAKER: Order please. Order please. If the honourable member has a question, he may proceed with his question.

MR. COWAN: Mr. Speaker, I do have a question and it follows on what I consider to be an answer that is not quite correct in response to a question I'd asked earlier last week. I'd ask the Minister if he will recheck with his department to find out what in fact has happened to the three other positions working out of the Natural Resources Office, the positions of a biologist and two technicians, which have been transferred to other areas of the province. While doing so can he please indicate the rationale behind that transfer because it has put that office at an extreme disadvantage in respect to being able to determine and monitor activities in the Churchill area regarding polar bear movement; regarding the condition of the polar bears and in respect to the

Wildlife Management Area and the successful management of that very important area to the province?

MR. ENNS: Well, Mr. Speaker, it could simply be noted that when the Honourable Member for Churchill first asked the question he asked the question on the basis that the Department of Natural Resources no longer maintained its presence or staff in Churchill and I simply responded that is not the case. The Conservation Officer, the Regional Officer is carrying on his functions out of Churchill as before. Staff and resource people do move around from time to time. Specialists, biologists, as he indicates, are currently operating out of the office. The regional head office of Thompson will continue to be used when required throughout the north including Churchill. The only actual change or diminution of staff involves one clerical position of a secretary or a stenographer that left of her own accord and we are attempting to recruit a replacement.

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

MR. COWAN: The facts are quite simple. There were four positions, there are now no positions, one of which the Minister indicates is temporarily vacant. I would ask him to investigate that situation by contacting residents in the community of Churchill for their opinions as to the effectiveness of that office with those staff positions being transferred out of the area.

My final question to the Minister, Mr. Speaker, is to ask him to indicate when he expects the regulations concerning the use of the wildlife management area will be completed? I would be more specific in that request to him, I would ask him if he expects those regulations to be put in place in time to be effective before the tourist season begins in that community.

MR. ENNS: Mr. Speaker, tourism has flourished in that part of Manitoba long before I put any regulations into being. I acknowledge, and I think it ought to be acknowledged, that it was this government that established the Churchill Wildlife Management Area in the first instance under the former Minister.

We have a tendency, Mr. Speaker, of not rushing into regulations superimposed from above, but in fact taking the time to talk to the people involved that are going to be affected by those regulations and that's going to take a bit of time because it's a very large area; it involves a number of communities and a number of interests.

I don't apologize for whether or not those regulations take a bit of time in drawing up. I have every assurance, however, that just as it didn't prevent the tourists from enjoying that part of Manitoba last year and the year before that and ten years before that, with or without my regulations they will continue, and I hope they continue to come up in greater numbers to enjoy that particularly interesting part of our province.

MR. SPEAKER: The Honourable Member for Churchill with a new question.

MR. COWAN: Yes, Mr. Speaker, and it follows upon the answer of the Minister. Can the Minister confirm and indicate what action he is going to take in respect to numerous complaints which I know have been forwarded to his office respecting the delay on the part of the Minister and the Department of Natural Resources in implementing regulations for the Churchill Wildlife Area? The people in that area are concerned; they have forwarded that concern to the Minister; they have not received any answer to my knowledge from the Minister in respect to the complaints they had forwarded to him; so I'd take this opportunity to ask the Minister what he is going to do about those complaints. Is he going to take some positive action to get those regulations in place instead of giving lip service to . . .

MR. SPEAKER: Order please. Order please. The honourable member's question is repetitive. The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON: Thank you, Mr. Speaker. I have a question for the Minister of Mines and Natural Resources. I would like to ask him has he ascertained the increase or decrease of the beluga whale population in the Bay of Churchill? It was one of the major tourist attractions in that area.

MR. SPEAKER: The Honourable Minister of Natural Resources.

MR. ENNS: Mr. Speaker, I must confess that I haven't been personally made aware of any change in the population status of the beluga whales. However, the Member for Gladstone quite correctly identifies that as being a major tourist attraction. I will undertake to provide that answer for him as soon as I can count the whales.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I would like to direct a question to the Minister of Cultural Affairs concerning a story that a senior civil servant in her department, a cultural liaison officer at the Manitoba Archives Building, was running a part-time nude modelling agency out of his office.

Mr. Speaker, my question is, can the Minister provide the Assembly with the bare facts of this matter?

MR. SPEAKER: The Honourable Minister of Cultural Affairs.

HON. NORMA L. PRICE (Assiniboia): Mr. Speaker, the gentleman in question is under suspension at this time.

MR. DOERN: Mr. Speaker, can the Minister indicate the government's policy on extra-curricular activities or moon-lighting?

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Mr. Speaker, I should add to that a little bit, I suppose. The particular allegations and the situation is under investigation at this time.

MR. DOERN: Mr. Speaker, there was another bizarre incident yesterday in which there was a nude

stroller walking around this building, apparently looking for the Premier, and I wonder if one of the Ministers could indicate whether this was in fact the case or whether this gentleman was simply looking for the Cultural Affairs Employment Agency.

MR. SPEAKER: Orders of the Day. The Honourable Member for Fort Rouge.

MS. WESTBURY: Mr. Speaker, my question is addressed to the Honourable Minister of Education. I wonder if the Minister has received a report on apparent questionnaires being circulated within inner city schools asking children to evaluate each other on the basis of their race and other pertinent or impertinent qualifications and basis as to whether the ethnic group to which they belong could be regarded as good, bad, or powerful. Has the Minister received any reports on this or has he taken any action to ensure that this tendency does not operate in a continuing way?

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): Mr. Speaker, I can tell the honourable member that I am aware of no such report nor questionnaire of this type. I will certainly look into it.

MR. SPEAKER: Orders of the Day. The Honourable Government House Leader . . . The Honourable Member for Churchill.

MR. COWAN: Thank you, Mr. Speaker. On a question to the Minister of Labour, the Minister of Labour indicated earlier in the question period that he had an opportunity to read over the document by the Manitoba Hotel Association in respect to activities during an organizational drive on the part of the employer. I would hope that the Minister would be able to provide us with not a legal opinion in this instance, but his own opinion as to whether or not suggestions and comments in that document do in fact violate the intent and the spirit as well as the letter of The Labour Relations Act.

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Mr. Speaker, I said yesterday that I would be reviewing it myself and that I was going to seek a legal opinion. It's interesting to note that the member makes reference to the spirit of the act. I have found in my limited experience in dealing with situations that it is often the case when people are talking about the spirit of something that they have a rather weak situation and they haven't got the particular facts.

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

MR. COWAN: I would expect the Minister to clarify his last statement somewhat more, it's rather vague, but he probably will have other opportunities to do that. I would ask him if he can provide us with an opinion as to the statements which were documented in that document that was sent out to the Hotel Association members in this province.

Does he in fact believe that those statements which suggest that employers should do everything in their power, and I would suggest it would include using their undue influence to block a union being organized in their hotel, misrepresent the intent and the spirit of The Labour Relations Act, which in fact, suggests that we should be providing more opportunity for unionization and organizational drives in this province, rather than less.

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Well, Mr. Speaker, I think a great deal of the statement that was just addressed to me in the form of a question was the interpretation of the Member of Churchill's — his interpretation of the legislation, it's not necessarily mine.

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

MR. COWAN: Then is the Minister saying that he does not agree with the suggestion that the statements contained in that document do in fact violate the intent, the spirit, the purpose, and the letter of The Labour Relations Act, when it comes to employers exerting undue influence over their employees during an organizational drive?

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Mr. Speaker, I think the answers I have given so far today have been sufficient. I can appreciate the frustration and the desire of the Member for Churchill to get the answers for those who have sent him to do that, particularly the MFL.

MR. SPEAKER: The Honourable Member for Rossmere.

The Honourable Member for Churchill on a matter of privilege.

MR. COWAN: Yes, the Minister has just imputed motives, I believe, in respect to my questioning of him this afternoon and yesterday regarding the document distributed by the Manitoba Hotel Association, when he suggests that I am acting as a delivery person or I have been sent to ask these questions of him.

I wish the Minister to know and those others who are interested to know that I ask these questions because I believe this to be a matter of vital concern to the working people in this province, not only those who are organized, but especially those who are attempting and who wish to be organized.

There is no question, it's a matter of privilege and I think I have the floor, Mr. Speaker, I would seek your support and your . . . I would hope and I would ask the Minister to withdraw those imputations and to try to deal with this matter in a more straightforward and honest way, rather than trying to divert attention with . . .

MR. SPEAKER: Order, order please. Order please.

The honourable member has raised several issues, rather than one particular matter of privilege. On that basis, I would have to rule his matter of privilege out of order.

The Honourable Member for Rossmere.

MR. VIC SCHROEDER: Thank you, Mr. Speaker.

I have a question for the Minister of Mines with respect to the IMC Agreement. Can he advise as to whether the reason there is no agreement yet — a final agreement between the government and IMC — has something to do with IMC and Prairie Potash not having been able to conclude their agreement with respect to transfer of Prairie Potash's rights to IMC and if so, how are they getting along in their negotiations?

MR. SPEAKER: The Honourable Minister of Energy and Mines.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, all I can indicate to the member at this point in time is that the 12-month Letter of Intent that was entered into with IMC, April of last year, was extended for 60 days and we're in that current period at the present time.

I have no information I can provide to him on the question he has asked with regard to negotiations between IMC and Prairie Potash.

MR. SCHROEDER: A supplementary question to the Minister. Can he advise as to whether the exploration program which IMC entered into last year in accordance with that Letter of Intent has been completed and that the 60-day period which it has requested as an extension has nothing to do with actual exploration, that is, that those facts are in and it would be some other consideration which requires the extra 60-day period?

MR. CRAIK: No, Mr. Speaker, that possibility is not excluded. The possibility of further exploration in that 60-day period is certainly not excluded.

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

MR. SCHROEDER: A further question to the Minister then. Can he advise as to whether the holes for which permits were obtained have been completed by IMC and as to whether they have asked for further permits for further drilling? While I'm up, could I also ask the Minister, now that more than a year has gone by since that Letter of Intent was entered into, could he now table that Letter of Intent, in view of the fact that he did so, practically immediately, when he signed one with Alcan?

MR. CRAIK: Well, Mr. Speaker, the member has asked two or three questions in that one statement.

The first question I believe, was whether or not the exploration work that was to be undertaken last year was completed and analyzed and my understanding is that yes, it has been. As to whether or not further is required in the next 60 days by them, I can't answer that question. I'm not even sure that was his question.

The third question I think he had included there was whether or not last year's Letter of Intent was available for tabling. Let me indicate to the member the same answer as I gave him last year, that if and when an agreement is entered into with IMC, all of that information will be made available. (Interjection)— Sorry, Mr. Speaker, with IMC, yes.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE: Mr. Speaker, my question is directed to the Minister of Natural Resources and responsible for Flood Control. I wonder if he can inform the House when the Red River flood crest is expected in the city this year?

MR. SPEAKER: The Honourable Minister of Natural Resources.

MR. ENNS: Mr. Speaker, it has come and gone very gently and very quietly, without too many people taking notice this year.

MR. SPEAKER: The Honourable Member for Rossmere.

MR. SCHROEDER: Thank you, Mr. Speaker.

A further question to the Minister of Mines. Can he advise as to why it is that with respect to the Alcan Agreement the Letter of Intent was filed immediately and with respect to this particular issue, the IMC agreement, the Letter of Intent was not filed at all, although more than a year has passed and apparently another agreement has been entered into? What is the distinction between those two agreements, so that in the one case it's filed and in the other it is not.

MR. SPEAKER: The Honourable Minister of Energy and Mines.

MR. CRAIK: Well, as I think I indicated last year, Mr. Speaker, principally because there are third-party negotiations involved in the potash project as opposed to the agreement with Alcan, where it was principally between the two parties, Alcan and the Government of Manitoba. But I want to remind the member that in the potash area being considered, the government ownership of resources is only about half, with the other half being split among a number of other parties and with them entering into the negotiations and it did not appear to be in the public interest at that point in time, for the Letter of Intent to be used as a public document. But I said at the time that when an agreement is reached — that is specific — with IMC, if and when it is, that will be made a fully public document.

MR. SCHROEDER: Mr. Speaker, a further question to the Minister. Can he advise as to whether there are any parties to that Letter of Intent other than IMC and the Government of Manitoba?

MR. CRAIK: No, I can indicate to the member, Mr. Speaker, there are just the two parties in that particular Letter of Intent.

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

MR. CHERNIACK: Thank you, Mr. Speaker.

I'd like to ask the Attorney-General, if he has not already done so during his Estimates, could he table whatever statement he made dealing with the appointments of an Advisory Committee on Crime Prevention and Control?

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, I think if the Member for St. Johns looks at Hansard, he will find a reference in my introductory notes to that appointment and I believe there was a news release issued with respect to that matter. If having reviewed that material he wishes further information, Mr. Speaker, I will be glad to provide it.

MR. CHERNIACK: Mr. Speaker, since my question arises from the information contained in the news release, obviously having read it, I would ask the Minister if there is anything in writing in relation to the establishment of this committee, whether it's a formal or informal one, whether the manner in which it will be set up has already been reduced to writing and can be tabled, or whether it is still speculative to the extent that it has yet to be worked on?

MR. MERCIER: Mr. Speaker, the only matter remaining to be done with respect to that matter is the actual appointment of the individual members of the Advisory Committee, which are to come, I think, as the press release indicates, from various areas or groups of concern interested in the subject of crime prevention.

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

MR. CHERNIACK: Mr. Speaker, since reference to this committee was made well over a year ago in the Throne Speech, I ask the Minister whether he has nothing to table before the House to indicate the manner in which it has been planned to set up this committee? It is apparently being done by the Police Commission at the direction of the Attorney-General. Are there not terms of reference; are there not descriptions as to the manner in which they will be appointed? If there aren't, I would be surprised, and since there must be, can he table that kind of material?

MR. MERCIER: Mr. Speaker, there are specific terms of reference and I believe, as I indicated in the answer to the Member for St. Johns' request, if he would peruse Hansard and read what I said in the introduction to my Estimates, I believe I set out the exact terms of reference in the remarks that I made. If I didn't, and I will also check it, Mr. Speaker, I will provide them to him, the specific terms of reference.

MR. SPEAKER: The Honourable Member for St. Johns with a new question.

MR. CHERNIACK: Mr. Speaker, I would ask the Honourable the Minister whether he does not have — he must have material in addition to the statement he made in introducing the Estimates, in that the manner of setting up the board in itself would have to be more than just terms of reference but a description of who appoints, how they are appointed, how they are selected, and from what groups they are selected, the press release being very general.

So I would ask the Minister, in view of the fact that I'm not aware of what he said in the Estimates, not having been there throughout the period, whether he

is prepared to give us a full report on the process that has been established until now?

MR. SPEAKER: Order please. I believe the question is somewhat repetitive. The Honourable Minister has provided the information for the honourable member.

The honourable member with a second question.

MR. CHERNIACK: Mr. Speaker, on a matter of privilege, I understand you to say that you believe it is repetitive; I believe that it is not because I believe that the Minister has now nodded to agree that he will provide the additional information I requested. On that basis, I would assume that he will.

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, perhaps you wish to rule on the matter of privilege that the Member for St. Johns raised, which I believe he had none.

MR. SPEAKER: Order please. The honourable member did not, in fact, have a matter of privilege.

The honourable member with another question.

MR. CHERNIACK: Yes, Mr. Speaker, I would ask another question. Inasmuch as the Minister has suggested to you, Mr. Speaker, that he is absolutely clear on the information I want to receive and inasmuch as it appears to him I was repetitive, and to you, Mr. Speaker, I would ask him, can I now rely on the fact that having responded as he did, I will get the information that I have requested, to the fullest extent?

MR. MERCIER: Mr. Speaker, as I indicated, I will look back at the introductory remarks I made in the introduction of my Estimates, Mr. Speaker, because I think all of that information is contained in those remarks. If it was not, I will provide the further information to the Member for St. Johns.

MR. SPEAKER: Order please. The time for question period having expired, the Honourable Member for Gladstone.

BUSINESS OF THE HOUSE

MR. FERGUSON: Yes, Mr. Speaker, I have some changes on the Statutory Regulations and Orders Committee: Mr. MacMaster for Mr. Blake, and Mr. Anderson for Mr. Einarson.

MR. SPEAKER: The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, firstly can I indicate that the Law Amendments Committee will meet next Tuesday morning at 10:00 a.m.

Mr. Speaker, would you call the motion which stands in my name on Page 5 of the Order Paper.

ORDERS OF THE DAY

ORDER FOR RETURN — NO. 1

MR. SPEAKER: Order please. Before we proceed, there is an Order for Return.

The Honourable Member for Fort Rouge.

MS. WESTBURY: Thank you, Mr. Speaker. I move, seconded by the Honourable Member for Burrows, that an Order of the House do Issue for a Return of the following information:

(1) How many juvenile offenders are being sent to institutions in the United States, because of lack of treatment facilities in this province (a) annually, (b) on a cumulative basis;

(2) Names and occupations of those people who sit on the special panel called to examine a juvenile before he is sent to an American institution, and the criteria used to determine whether a juvenile offender should be sent out of the province for institutional care;

(3) The per diem cost to the public of sending juvenile offenders to the United States, and how this cost compares with the per diem cost of institutionalizing youthful offenders within the province;

(4) The number of juveniles dispatched to American institutions from Brandon as compared to Winnipeg.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Community Services.

HON. GEORGE MINAKER (St. James): Mr. Speaker, we'll accept the Order for Return.

PROPOSED MOTION — SPEED-UP

MR. SPEAKER: On the proposed motion — the Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, I move, seconded by the Honourable Minister of Finance,

RESOLVED THAT for the remainder of the Session, the House have leave to sit in the forenoon from 10:00 a.m. to 12:30 p.m., in the afternoon from 2:00 p.m. to 5:30 p.m., in the evening from 8:00 p.m. and each sitting to be a separate sitting, and have leave so to sit from Monday to Saturday, both days inclusive, and the Rules with respect to 10:00 p.m. adjournment to be suspended, and government business take precedence over all other business of the House;

AND THAT for the remainder of the session, the operation of sub-rule (3) of Rule 88 of The Rules, Orders and Forms of Proceeding of the House be suspended but the report stage of any bill shall not be taken into consideration prior to 24 hours following the presentation of the report of the Standing or Special Committee with respect thereto.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, this is the standard resolution that has been moved in this House for a number of years. Mr. Speaker, I gave notice to the Honourable Leader of the Opposition, the House Leader, and Whip that I would be moving the resolution today. I think it hardly needs explanation after the discussion that has taken place on it in past years, as I read part of in Hansard.

I think the Member for Inkster is fond of indicating, Mr. Speaker, that this will give members an

opportunity to work longer hours each day, in addition to other staff and officials. It has been found, of course, Mr. Speaker, by all administrations that it has been necessary in order to complete the business of the House. I would most certainly try again, as has been in past administrations and our administration, Mr. Speaker, to accommodate members by holding committee meetings where possible in the evenings and House sittings during the day.

I had intended to call this motion yesterday but we did not proceed that far in Orders of the Day. I would intend to call it again tomorrow and Monday unless members, of course, would like to pass the resolution today, in which event, of course, it would not come into effect, Mr. Speaker, until next week after the Estimates are completed. Even if the Urban Affairs Estimates, Mr. Speaker, were to be completed today, as I hope they would be, I would not ask that it come into effect Friday or Saturday. I just mention that, Mr. Speaker, in case there's a chance of that occurring.

Mr. Speaker, this year of course there is not a large legislative package before the Assembly. There have been a number of bills that are now being referred to committee. The Committee on Statutory Orders and Regulations will be meeting Monday morning to consider one bill, The Builders Lien Act; and Law Amendments Committee Tuesday morning. A number of other bills are already in Municipal Affairs Committee, Private Bills Committee, and I don't expect that there is a great deal of workload left in the session, Mr. Speaker.

As I have indicated, if members opposite did wish to pass the resolution today, I would undertake, Mr. Speaker, and even if Estimates were completed today, I would not bring it into effect until next week. As I have already indicated, we have two committee meetings already scheduled for two mornings next week.

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

MR. CHERNIACK: Mr. Speaker, I would like to ask the Honourable the Minister a couple of questions. Firstly, the way he spoke about the relationship between the passing of the resolution and the completion of Estimates made it appear as if he would not call, he would not bring this into effect until after the end of this week or the beginning of next week, even if his Estimates are passed. But since his Estimates are not the only ones yet to be passed, will he confirm that he means until all Estimates are passed?

The second question, Mr. Speaker, is that usually this is an occasion when one would ask the House Leader, what are his plans in relation to all the Private Members' bills and resolutions that are on the Order Paper.

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, with respect to completion of all Estimates, I did mean until all Estimates are completed, Urban Affairs plus Executive Council, and it has been arranged with the Opposition House Leader earlier today, Mr. Speaker, when we go into Estimates, we will be proceeding in

two committees and the Opposition House Leader has agreed that the Deputy Premier, in the absence of the Premier this afternoon, will take those Estimates up to Minister's Salary, and then they would like to adjourn that committee to rise at that point, in order that the First Minister can complete the Minister's Salary and that part of the Estimates.

With respect to Private Members' Bills, Mr. Speaker, there are bills which the government is holding that have been brought by the members opposite. There are a number of bills that were deferred from last session that are again on the Order Paper. Mr. Speaker, I would think that I have an open mind on those bills, Mr. Speaker, and rather than express an opinion right now, I would be prepared to discuss those with the Opposition House Leader about some points.

MR. CHERNIACK: Mr. Speaker, a further question to the Minister. Would he be prepared to undertake to discuss the Private Members' Bills with the House Leader of the Opposition prior to the passing of this resolution?

MR. MERCIER: Mr. Speaker, it is not only a matter of discussing it with the Opposition House Leader. These are Private Member Bills brought by private members on this side and private members on that side and their worth also has to be determined and they have to be spoken to with respect to these matters also, but I am prepared to discuss these bills with the Opposition House Leader.

MR. CHERNIACK: Mr. Speaker, I'm sorry.

MR. SPEAKER: Order please. Does the honourable member have a further question?

The Honourable Member for Winnipeg Centre on a point of order.

MR. J.R. (Bud) BOYCE: I would remind members that the person being referred to is the House Leader of the Official Opposition; does not represent the Opposition. There are four members who deserve the courtesy of having these matters discussed with them also.

MR. SPEAKER: The Honourable Government House Leader.

MR. MERCIER: Well, Mr. Speaker, if anyone is slighted, I apologize to them. I have tried in the past to not only discuss these matters with the Opposition House Leader but with the Liberal party and the Leader or Deputy Leader, or Acting Deputy Leader of the Progressive Party.

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

MR. CHERNIACK: Yes, Mr. Speaker, I did want to ask a further question, as long as the Minister permits it. He has the right to refuse to let me ask him questions. I gather he did permit it.

He did not answer the question I asked, and that was, is he prepared to discuss the private members' bills and resolutions and what will result or what his intentions will be? Is he prepared to hold those discussions before this resolution passes?

MR. MERCIER: Mr. Speaker, I wonder if the Member for St. Johns would like to indicate when it would pass? I could indicate to him when we would like it passed. We'd like it passed by Monday at 4:30.

MR. SPEAKER: Order, order please. I believe we're getting into a debate rather than an issue of trying to seek clarifications of statements that have been made.

The Honourable Member for Kildonan.

MR. PETER FOX: Yes, Mr. Speaker. First of all, I'll make my speech as an individual member of this House which I have always done. For 14 years, I never have believed in the Speed-up and I still don't believe in it.

As a trade unionist, we fought very hard to get the 8-hour day, and in this Chamber for some reason or other, we do something which I believe is really abnormal. Now I know it has done for years and years and I do recall in years passed when a member of my own party in opposition used to sit in this House when this motion was brought in and put on a sleeping cap and make a big tirade about it and when he became Minister he had a change of heart. Well, I'm not of that ilk, Mr. Speaker, I want to indicate that I am prepared to participate in this Assembly and to do good Legislative work, but I do believe that sometimes we do not proceed with real caution. We overburden the staff and we sit late, and according to the Statute Law Amendments Act, I think there are two of them. One of them that I've perused, and we've passed into Law Amendments has indicated that we do sloppy work. And I think, some of that sloppy work is because we work way beyond the witching hour which should be about 11:00 in this Chamber.

Now I'm prepared to work with all other members of this House and to have the bills passed three times a day. But I think we should have some kind of commitment and it should possibly be in the resolution that we stop at 10:30 or 11:00 at night.

I do not think you can really function well, especially if you have to do research the following day on the same bills, three times a day, and try to work and burn the midnight oil until 2 or 3 o'clock, if you're doing your homework well. So that's one of my real beefs against it.

The other thing about it, this year, Mr. Speaker, is that we started earlier. We also had a session last fall which was very late. I was disappointed we didn't have more time; that it didn't start earlier, but I do think it's time we had another look at how we operate in this House, that we should have two sessions a year; that they should be stretched out so that there can be some work done in between those two sessions when the public can possibly make its representation to the members of this House, so that we really are efficient in how we work.

Secondly, I'd like to say that since we have already written into Law and it will become law when the election writs are issued, that we will be paid on a bi-weekly basis; that's all the more reason for us concentrating and doing a much better job at this Assembly level.

Now I know that there are problems in respect to the Executive Branch having time to do their work too. But I think we could look around the world, look

around the provinces, and find out that some of them do only operate three-and-a-half days or four days a week or even less, so that the administration can do its job and the members can still do theirs. They can have time for constituency affairs as well, during the week, and we are not rushed and pressed into doing this Legislative work which is a vital, and I think, of great importance.

So, Mr. Speaker, again, I as an individual member of this House want to indicate, I do not believe in the Speed-up. I do believe in co-operation. I do believe in expediting the work of the House, but I do not believe that we should overburden ourselves or overburden the staff, because they too suffer. We may think it's fine and dandy for us. We're 56, we can alternate and make others do some of the work while others rest, but the staff are on duty, totally all the time, every day of the week while we're in Speed-up and I do know it's a burden on them.

There's only one other thing that I have to suggest, Mr. Speaker, and that is, I think if we are going to go to the format of paying ourselves every two weeks, those of us who will be back, it's all the more reason why we should have a look at spreading out the session and doing our work in a much more orderly fashion. I don't care who you are, you cannot burn the candle at both ends, and to work in this place from 8:00 in the morning until 12:00, 1:00, 2:00 o'clock at night, and rush back again, and even if it's only for a brief time, I think it's totally unfair.

So again, I'm not stating a position of my party but I am stating my position as an individual and I will continue to state that as long as I'm a member of this House. I do not believe the Speed-up is efficient or anything else. I think it's detrimental because otherwise we wouldn't have all the corrections that we have to make every year because we have typographical errors; we have all kinds of errors; oversights, simply because we rush things through at the very tail end.

Thank you, Mr. Speaker.

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

MR. LAURENT L. DESJARDINS: Mr. Speaker, I think that I should say right from the onset that as far as this resolution is concerned, we consider this to be a free vote. It's not a question of policy; it's a question of individual preference as to the way things are done in the south. Now, I've had 22 years of this resolution, no matter who was in government, what party, it was always brought in. It was opposed most of the time by the members of the Opposition, and ended up in passing.

My concern is when this is abused, not the resolution itself, and there is no doubt and at certain times I've been very much against this and I'm thinking of the days of the Roblin Government when it was abused. It was abused quite a bit because we use to sit repeatedly until 4, 5, 6 o'clock and nobody can do that, and that's when, I think, what was said by the previous speaker that it becomes very very difficult on the staff and the clerk and so on because they have to start early in the morning, the next day also. But I think if this is not abused and if there is co-operation, I think it is a good resolution. I think it has some good points about it and I might say, give the devil his due, I think in the past few years, 2 or 3

years anyway, there has been co-operation and it hasn't been abused. I don't remember that there's been two sittings. There have been committees on weekends, on Saturdays and Fridays, I think there was even a time, for instance, I would expect that if this is passed before the long weekend that we consider maybe taking the long weekend. I don't think there's that much rush this year. There doesn't seem to be that much work to be done and it has certain advantages that you can bring in and call the bills more often. You could come in and have a short time in the House and adjourn the committee and start over in the afternoon and evening, and, I would much sooner see a push than come in here maybe half an hour and having to sit out the rest of the day for just a committee that might finish right it way. If it's left flexible, if there is no abuse, if it's run like last year, for instance, I think it was done very well, I have no objection. Of course, having said that, if there is abuse, if I am here again at another time when this is debated, I would certainly reserve the right to say, no, this has been abused too much and it's not working. But the way it did work last year, I think was a good thing, it doesn't even have to be used by government that much.

Furthermore I think that it favours the members of the Opposition to a certain point because it brings in the question period a little more often also and if there is something pressing or if you miss something in the morning you can get it in the afternoon or in the evening. So I certainly hope with that understanding, with this co-operation and non-abuse by the government, if they follow what they did last year, I would be very satisfied. I don't intend to vote against this resolution.

MR. SPEAKER: The Honourable Member for Logan.

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

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, I move, seconded by the Honourable Minister of Energy and Mines that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee with the Honourable Member for Radisson in the Chair for the Department of Urban Affairs and the Honourable Member for Virden in the Chair for the Department of Executive Council.

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY — EXECUTIVE COUNCIL

CHAIRMAN, Mr. Morris McGregor (Virden): I call the committee to order. We are on Executive Council, 1.(b) — pass; 1.(c) — pass; 1.(d) — pass; 1.(e) — the Member for Lac du Bonnet.

MR. USKIW: What are Other Expenditures?

MR. CRAIK: Which item, (d)? They are professional fees, \$23,000; office equipment, printing and stationery, Xerox, postage and telephone, equipment rental, computer-related expenses, publications, \$4,000; freight, express and cartage, travelling, \$34,000; other miscellaneous \$13,900, for a total of \$127,000.00.

MR. USKIW: Mr. Chairman, it seems to me I heard the Minister indicate professional fees. What kind of professional fees are we talking about?

MR. CRAIK: They are just an estimate of from time-to-time professional fees . . .

MR. USKIW: Outside consultants?

MR. CRAIK: Yes, I would presume, for instance, on constitutional matters and so on, when lawyers that are retained.

MR. CHAIRMAN: 1.(d) — pass; 1.(e) — pass; 1.(f) — pass; 1.(g) — the Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, just before we get past (f), International Development Program — is that something that we are tied in with the Government of Canada, a project that is a national one where the provinces participate?

MR. CRAIK: That's right, they are joint programs between the Manitoba Government and CIDA and a third agency, and they are as recommended and approved by Order-in-Council, so there is no listing. As they come up during the year, they are dealt with on that basis.

MR. CHAIRMAN: 1.(f) — pass; 1.(g) — pass.
I believe it was understood, or do we want to go back to 1.(a) or is that to be left.
2. pass — the Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, I'm just curious as to the amounts that are provided here. This is just a nominal figure, I presume. How do we finance an election if one is to be held in 1981?

MR. CRAIK: I better be careful on this one because I'm not sure I know the answer. I sometimes get into trouble when I answer questions too soon. I can ask Mr. Bedson to provide us with information on that and I think maybe since he's not here if there's another item that you want to discuss, I will arrange for him to be present.

I would ask you do you want to deal with item (a) the Premier's Salary, or do you want to hold it?

MR. USKIW: There was an agreement, Mr. Chairman, that that item be held over until the Premier is back.

MR. CRAIK: That's all that's left. I think you will find on that item too that is probably the standard practise, that just a minimal amount is put in and if there is —(Interjection)— That's right if there's an election expense there is a Special Warrant.

MR. USKIW: It's the same as feed and fodder assistance. We used to have an item of \$16,000, and

we spent \$10 million against it. I think that's the same system.

MR. CRAIK: It is also the same pattern as is annually used when you are negotiating for civil service salary settlements.

MR. USKIW: It just occurred to me that if the government is indeed going to the polls then they logically could have put in the right amount there.

MR. CHAIRMAN: What is the wish then? To adjourn for five or ten minutes until Mr. Bedson . . .

MR. CRAIK: Perhaps it could be brought back under the Premier's Salary if it's required.

MR. CHAIRMAN: Be it resolved that there be granted to Her Majesty a sum not exceeding \$7,000 for Executive Council — pass.

So what is the desire, gentlemen, regarding (1)(a), is that an evening session, or do we know?

MR. USKIW: That's whenever the Premier gets back, it's up to the government.

MR. CRAIK: It may in fact hold until the end of all the estimates when we are finished Urban Affairs, etc., as the final wind-up.

MR. DESJARDINS: Will we be here tonight?

MR. CRAIK: No, I don't think so.

MR. DESJARDINS: Oh, so there is no committee tonight.

MR. CRAIK: No, this committee won't have to sit again until —(Interjection)— I am not sure if he will be back tomorrow either, so it may be held over until the first of the week.

MR. CHAIRMAN: Committee rise.

SUPPLY — URBAN AFFAIRS

MR. CHAIRMAN, Abe Kovnats (Radisson): Committee come to order. I would direct the honourable member's attention to page 111 of the Main Estimates, Department of Urban Affairs, Resolution No. 118, Clause 1. General Administration, (a) Minister's Salary — the Honourable Minister.

MR. MERCIER: Mr. Chairman, I'm pleased to introduce the Estimates of expenditures for the Ministry of Urban Affairs. You will observe that there are five separate resolutions to be considered, 118 to 122.

Resolution No. 118 provides \$59,400 for the operation of the Minister's office; \$10,300 for the Minister's Salary, with the remaining \$10,300 appearing in the Attorney-General's Department; \$41,300 for the salaries of one executive assistant and one administrative secretary and \$7,800 for office expenses and related expenses to the Ministry.

As the Minister responsible for Urban Affairs for the administration of The City of Winnipeg Act, for inter-governmental matters pertaining to the City of

Winnipeg, and that is the City of Winnipeg alone, Mr. Chairman. I have had the assistance of other Ministers who make up the Urban Affairs Committee of Cabinet. This Cabinet Committee meets during the course of the year with official delegation of the City of Winnipeg and this mechanism provides a convenient means for the two levels of government to listen to each others concerns and to work on a co-operative basis in finding solutions to common problems.

As I said, Mr. Chairman, I have no direct responsibility for any other municipal entity in the Province of Manitoba; that is the direct responsibility of the Honourable Minister of Municipal Affairs, who also serves as a member of the Urban Affairs Committee of Cabinet.

I might add, Mr. Chairman, that the duties of the Ministry are carried out with the able assistance of the Deputy Minister of Urban Affairs, Mr. Forrest, and all of his staff.

In addition to The City of Winnipeg Act, I'm responsible for the administration of the Canada-Manitoba Agreement on the Urban Transportation Assistance Program. Under this agreement, the province will receive \$10,216,000 during the five fiscal years, 1978-79 to 1982-83. Most of these funds, \$7.6 million, are to be transferred to the City of Winnipeg under specific project agreements.

Where provincial moneys are involved, such as in the construction of the St. Anne's grade separation and the purchase of buses for the City of Brandon, the individual line department involved has requested separate spending authority and has included recoveries of federal UTAP funds under those appropriations.

Mr. Chairman, you will note that the program responsibilities have increased from last year, when the only other resolution to be dealt with related to block funding. For 1981-82 this department will be responsible for concluding outstanding obligations under the Inter-governmental Land Sales Program, for co-ordinating the provincial contribution towards the tri-level core area initiative and for implementing most of the Canada-Manitoba Agreement for recreation and conservation.

Resolution 119, Mr. Chairman, provides \$38,450,000 for the Block Funding Grant to the City of Winnipeg in 1981. This represents an increase of \$5,450,000 or 16.5 percent over the \$33 million provided in the last set of Estimates. When the government introduced block funding in 1979, some concern was expressed that the initial grant of \$30 million failed to take into account the absence of any bus purchases in that year by the City of Winnipeg.

The province did in fact include some provision for ongoing bus purchases when it established the block grant in 1979. Of course, the City of Winnipeg has not purchased any buses since 1977 and had expressed no intention to purchase buses in 1978 or 1979.

Nevertheless, in November of 1980, the City of Winnipeg official delegation indicated its intention to make sizeable bus purchases in 1981 and therefore requested additional grant assistance. After serious consideration the province decided to incorporate a special increase to the block grant for this purpose.

As I've stated in my letter of January 9th to the city, I believe the 1981 block grant provides for a

reasonable increase, one that will permit the City of Winnipeg to allocate these resources in accordance with its own spending priorities. Whereas provincial estimates of expenditure for 1981-82 have increased by 15.5 percent, the block grant has been increased by some 16.5 percent.

I note that the City of Winnipeg has elected to devote \$12.2 million of the block grant towards its 1981 capital budget with the remaining \$26.25 million being used as revenue in its current budget.

In my letter of January 9th, 1981, to the City of Winnipeg, there is reference to several other conditional and unconditional grants being made by the Province of Manitoba to the City of Winnipeg. Funds for this purpose are to be found in resolutions of other line departments and may have been discussed earlier in committee with the appropriate Minister.

It is noteworthy that provincial grants which directly affect the 1981 current budget of the City of Winnipeg are expected to increase by approximately \$6 million, for a total of \$46.9 million. This represents an increase of 14.8 percent in provincial grants assistance. I would like to point out that 92 percent of this increase represents provincial funds being transferred to the city on an unconditional basis. This reinforces the policy of this government that the City of Winnipeg is best able to allocate these resources, with greater sensitivity to local needs and priorities.

Mr. Chairman, when I appeared before committee a year ago, I stated that there are other provincial funds available to the city over and above the block grant. The province has continued to listen to the views and requests for the City of Winnipeg official delegation, for additional financial support. We have listened and we have responded with a number of special grants.

In August, 1980, the City of Winnipeg requested special conditional grants of \$2 million, in order that it could undertake a variety of improvements to its street system and underground services and at the same time generate employment in the heavy construction industry. The province responded positively to this request and by the end of the fiscal year, the city had claimed \$1.8 million.

Last November the city requested financial assistance to offset the declining surplus of Winnipeg Hydro, which resulted in part from the five-year provincial rate freeze and increased water power rental rates. Again the province responded positively by making a special unconditional grant of \$2,050,000 in March of this year.

When the province's attention was drawn to the fact that the statutory grant in lieu of taxes on the Legislative Building and Government House had not increased since 1965, it responded by including in its current budget an additional \$260,000 for payment to the City of Winnipeg in 1981. This is an interim increase in provincial support pending the development of an ongoing more equitable formula for this grant.

I repeat, Mr. Chairman, the special grants and other provincial initiatives, under the Property Tax Credit Program, the Education Support Program and the Core Area Initiative, all reflect a positive continuing provincial role in providing financial assistance to the City of Winnipeg and its residents.

Mr. Chairman, in March of this year, City Council adopted a current budget of \$322.8 million,

representing an increase of 13 percent above its 1980 budget and a capital budget of \$96.9 million, representing an increase of 15.8 percent above its 1980 capital budget.

Approximately 58.8 percent of current expenditures are paid for by property taxes and grants in lieu of taxes, raised by municipal levy of 88.386 mills. The 1981 mill rate is 16 percent above the 1980 mill rate and is a significant increase, one which was last exceeded in 1974, when the mill rate increased 17.8 percent.

As of December 31st, 1980, the city's net tax-supported debt was \$213 million and net self-supporting debt was \$118 million. The corresponding per capita debt ratios were \$352 for tax-supported net debt and \$195 for self-supporting net debt. Total debenture debt per capita, both taxpayer and self-supported has increased by 11.7 percent, from \$640 per capita in 1979 to \$715 in 1980.

Mr. Chairman, these statistics suggest that notwithstanding the expenditure revenue squeeze being experienced by most governments at all levels, the City of Winnipeg's overall financial position is substantially unchanged from past years. The continued double "A" bond rating received by the city reflects upon the sound financial position of the City of Winnipeg.

Mr. Chairman, the 16 percent increase in the city's mill rate that I have referred to earlier, would in the absence of any other provincial initiative be a cause for some concern. Certainly the province would prefer these increases to be single digit increases, while the 16 percent increase is substantial, the province does assist the city and its residents by reducing the net property tax burden on resident homeowners and tenants through the Manitoba Property Tax Credit Program.

The Minister of Finance, in his Budget Address of April 14th, announced substantial increases and income related benefits for all Manitoba residents. Property tax credits are applied against schools and municipal taxes, since both municipalities and schools share the same tax base. The program does reduce the property tax burden on homeowners and provides municipalities with additional tax room.

The reduction in property tax burden brought about by the program is substantial. For the 1981 tax year, an estimated \$90 million will be paid out to Winnipeg residents under the Property Tax Credit Program and the Supplementary School Tax Assistance Program for pensioners.

The effect on the individual homeowner with a home assessed at \$7,000 is also significant. Depending upon income, that homeowner will receive up to \$525 in property tax credits in 1981. If he also happens to be a pensioner, he may receive up to \$800 in property tax credits.

In reviewing and analyzing the net tax burden on Winnipeg homeowners with a house assessed at \$7,000, we find some interesting and substantial improvements as a result of increases in tax credits and increased provincial funding under the new Educational Support Program.

School mill rates have fallen in seven of twelve divisions in 1981 and these rates apply to 70.5 percent of all farm and residential assessment for school purposes in the City of Winnipeg.

All homeowners, except those in Transcona-Springfield and Seine River School Division, pay a

smaller percentage of gross realty taxes in 1981 than in 1977. In Seine River School Division, the increased percentage share paid by homeowners is negligible.

All low income pensioners in the City of Winnipeg pay less taxes in 1981 than four years ago. For example, in Winnipeg School Division No. 1, a low income pensioner homeowner's gross property taxes would be \$1,089.34, but net property taxes payable is only \$318.70. That is, Mr. Chairman, \$217.31 less than his net taxes in 1977.

The real increase in property tax burden for Winnipeg homeowners after a count is taken of increased tax credits, is not as great as the increase that shows up in the property tax statements. To this extent the Provincial Support Program assists in insulating Winnipeg residents from the larger mill rate and expenditure increases that appear in the City of Winnipeg's printed budget.

Mr. Chairman, Resolution 120 provides \$1 million for the transfer of ownership of approximately 41 properties among the City of Winnipeg, the province and two Crown corporations — The Manitoba Housing and Renewal Corporation and Manitoba Hydro. Members of the committee may recall that the Inter-Governmental Land Sales Program was negotiated and concluded by the previous administration in October of 1977. Our administration inherited the task of implementation. The program is not based on a formal agreement between the city and the province, but a letter from the former Minister for Urban Affairs outlining the terms and conditions of the program and the resolution of council accepting those terms and conditions.

The program is applied in two distinct ways. The direct application of the program involves surplus lands which are exchanged between the province and the city for the greater of cost of acquisition or the assessed value. Generally assessed value is only used where it is virtually impossible to determine cost of acquisition since the land may have been held by the province or the city for a long time. These transactions account for 27 of the 41 properties involved and do not require any direct payment from this appropriation. It is the indirect application of this program that makes administration of this program more complicated and potentially expensive to the province because it is sometimes confusing to discuss the direct and indirect application of this program. I will provide committee members later with the four different types of transactions which can occur under this program.

Under the indirect application Crown corporations such as Manitoba Hydro are required to sell any surplus lands to the city for the greater of assessed value or cost of acquisition. This was to ensure that the city received any provincially declared surplus lands on the same basis; that is the greater of assessed value or cost of acquisition, but Manitoba Hydro was to receive market value for any lands transferred to the city. The difference between market value and the greater of assessed value or cost of acquisition was to be paid by the province to Manitoba Hydro. Of course when Manitoba Hydro was purchasing surplus lands from the city, Manitoba Hydro was to pay market value with the city receiving the greater of assessed value or the cost of acquisition and the province receiving the difference.

It is the net effect of these differences between market value and the greater of assessed value and the cost of acquisition for which this resolution is requesting \$1 million in spending authority. I must point out that the particular nature of two parcels of land being transferred between Winnipeg and Manitoba Hydro will make it very difficult to establish market value. These lands involve Hydro rights-of-way and they cannot be used for other purposes such as housing, etc. Accordingly I have asked the Minister responsible for Manitoba Hydro to consider ways and means of negotiating a reasonably acceptable means to finalize these two land transfers without requiring any large transfer of funds to Manitoba Hydro. Until this is finalized, however, the resolution seeks the estimated maximum funds needed to conclude these transfers under the original terms and conditions of the program.

I wish to add that this program will be terminated. I advised the City of Winnipeg of our decision in this matter some time ago. It is a difficult program to administer particularly in its indirect application to Crown corporations such as Manitoba Hydro. Under the program these properties are transferred at less than market or negotiated values and therefore include an indirect hidden subsidy to the final user of the property, be it the City of Winnipeg or the Province of Manitoba. We believe that this is inconsistent with the principle that each level of government should be accountable in a clear way for the resources that it utilizes on behalf of its citizens.

Resolution No. 121, provides \$1.6 million towards the province's share of expenditures related to improving the core area of the City of Winnipeg. Members of the committee will note that \$400,000 is also included in the Canada-Manitoba Enabling Vote bringing the total authorization for the Winnipeg inner city initiatives to \$2 million.

As announced in a Memorandum of Understanding signed on September 22nd by the Mayor of the City, the Federal Minister of Employment and Immigration, and myself, the objectives of the proposed Winnipeg Core Agreement are to provide increased employment opportunities, to encourage appropriate industrial, commercial, and residential development, and to facilitate the effective participation of core area residents in development opportunities. We have received more than 160 written submissions and at the end of January we heard oral submissions from more than 60 interested organizations, businesses and individual citizens.

Representatives of the three levels of government have been working very hard to develop a proposed package of programs and projects, which will respond to the identified needs of the core area and stimulate desirable economic growth and development. As soon as a few remaining details have been worked out, the proposed tripartite agreement on the Winnipeg core area will be presented to City Council and the federal and provincial Cabinets for their consideration and approval.

The agreement is to provide for the expenditure of \$96 million in core area programs and projects over the next five years with the Federal Department of Regional Economic Expansion, the Department of Urban Affairs and the City of Winnipeg each contributing one-third of the cost. In addition, all

three levels of government are expected to undertake complementary programs and projects which are consistent with the strategy of the core area agreement and supportive of its objectives.

What we are proposing is an effort by the three levels of government to co-operate with each other and with the private sector in dealing with the problems and opportunities presented by Winnipeg's core area in a comprehensive and innovative manner. I am most encouraged by our experience to date and I trust that all members of the House will share enthusiasm for the proposals which are to be made public in the near future.

Resolution No. 122, covers the province's responsibilities under the Canada-Manitoba Agreement on recreation and conservation for the Red River Corridor. It provides \$1,244,000 for expenditures to be made by the province and cost-shared with the Government of Canada for the development of the Red River Corridor as a major historical, recreational and cultural resource. Members of the committee will note that an estimated \$480,000 is recoverable from Canada. Responsibility for this program was transferred from the Minister of Natural Resources to my department last fall. Members of the committee may be aware that on October 20th, in accordance with the agreement the Federal-Provincial Management Board published a proposed development plan for the Red River Corridor including some 11 projects. The ARC Public Advisory Council appointed by the federal and provincial Ministers proceeded to hold nine public meetings throughout the corridor in order to obtain the views of interested groups and citizens with respect to the proposed development plan. The council has now submitted its reports and recommendations to the Federal Minister of Environment and myself. Following consideration of the council's report, the Federal Minister and I will announce the approved ARC development plan and implementation of the approved projects will proceed.

The sub-appropriations provide for the cost ARC secretariat and for the anticipated costs of implementing the proposed provincial and cost-shared ARC projects in this fiscal year. The agreement calls for Canada to contribute \$6,990,000 and Manitoba to contribute \$5,917,000 for a total of \$12,907,000 over the seven-year period ending March 31st, 1985.

To date funds have been expended on planning and research, downtown riverbank land acquisition, restoration of St. Andrews Rectory, and acquisition and initial development of an historic theme park at the mouth of the La Salle River.

I anticipate being able to announce the approved development plan in the near future and I look forward, Mr. Chairman, to the implementation of the projects which are intended to transform the Red River Corridor into an historic and scenic recreation system, which is easily accessible to the two-thirds of the population of Manitoba who reside in the immediate vicinity, as well as the majority of tourists who visit the province.

In conclusion, Mr. Chairman, I believe these estimates provide a firm indication of the province's substantial interest in the well-being and future development of the City of Winnipeg.

MR. CHAIRMAN: (b) Administrative Salaries — the Honourable Member for Elmwood.

MR. DOERN: Thank you, Mr. Chairman. I would like to begin by pointing out that the estimates of the Department of Urban Affairs clearly indicates the lack of interest and support for the people of Winnipeg as well as the people in the urban centres of Manitoba. There are some 600,000 people in the capital city. There are a number of other large centres and the Minister operates this operation out of his back pocket.

He has \$40,000 in salaries for three people, and here they are coming in right now, and this surely must be the smallest government department, and surely must be an indication of the interest and importance given by the Conservative Party to urban problems. The government obviously is keenly interested in what goes on in the rural part of Manitoba.

MR. CHAIRMAN: Order please. The Honourable Minister on a point of order.

MR. MERCIER: On a point of privilege, just to correct the record, Mr. Chairman, the Department of Municipal and Urban Affairs which serves the Minister of Municipal Affairs and myself as Minister of Urban Affairs, for the record has some 300 people in it, just for clarification.

MR. CHAIRMAN: The Honourable Member for St. Boniface on a point of order.

MR. DESJARDINS: The House Leader of the Government should know better than that. Lately, these last few days, he's been getting up every two seconds on a point of privilege. He had no point of privilege at all. This is debate. He can get up and straighten the record, but not interrupt somebody that's in the middle of making a point. There is no point of privilege at all and I would ask you to rule on it now.

MR. CHAIRMAN: On the advice of the Honourable Member for St. Boniface and on ruling, I would say that the Honourable Minister was out of order, that in fact he didn't have a point of privilege.

The Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, I simply say that the emphasis and the degree of concern and the number of people in that department — I don't care if they have 300 employees, I don't care if they have 5,000 employees — the amount of attention devoted and dedicated to Urban Affairs is miniscule and it is certainly significantly less than it was a few years ago, and in terms of the policies and programs being developed and the amount of attention given to the needs and the aspirations of the people in the urban part of Manitoba, it's insignificant.

I say to the Minister that his government continues to be rurally oriented, continues to ignore the north, continues to ignore the 600,000 people in the City of Winnipeg, and ignores the people in Brandon and in all the major urban centres of this province. I say to him that he himself is among the busiest of all Ministers in the government, has spent great gobs of time in the past year running up and down the

country with the First Minister on the Constitution and has ignored the fact that he should be devoting some time to this portfolio and probably there should in fact be a Minister working full-time or at least half of his time, but probably full-time on urban questions.

This government has continued to give a peculiar amount of time to different problems. There are Ministers in the government who aren't doing anything other than waiting for the next election and retirement and there are Ministers who are overloaded. This man is overloaded and in addition to all of his portfolios, which he cannot handle, he has the additional responsibility of the Constitution.

I say to you, Mr. Chairman, that is an example of where the government has its priorities all wrong: where they are spending time on issues that have little direct impact on the province and spending time on things that interest them or amuse them or entertain them out of all proportion to their other responsibilities and obligations.

I have to tell the Minister that if he wants to say that he has big section in his portfolio dealing with urban affairs, I would like to hear him name the people and name their responsibilities so that the Assembly can judge and the people of Winnipeg, in particular, can judge whether or not he is giving sufficient notice and sufficient attention to urban problems.

Mr. Chairman, I wanted to raise a question with the Minister. I will make my statement and then look forward with some interest to his response, because I want to deal with an issue that has over the years cost the people of Winnipeg and the people of Manitoba a great deal of money and that is the question of the amount of taxation paid by the CPR to the City of Winnipeg over the past hundred years and the amount of taxation that will be paid by the CPR to the people of Winnipeg in the next 24 years.

Now some might say, well, what has that got to do with this Legislature in the sense of looking only narrowly at the question of a Provincial Government, so I would immediately remind anybody who thinks that even for a split second that it was the Legislature of 1883 that ratified an agreement made a hundred years ago by the City of Winnipeg, ratified their by-law and ratified their debentures so that they could proceed with an agreement which I regard as unconscionable, not in the best interests of the people of Winnipeg and not in the best interests of the people of the province.

I also point out that in 1965, Duff Roblin, who was then the Premier, put some pressure on the railway, along with the city, and a new agreement was negotiated.

My complaint is that that agreement didn't go far enough and that some 15 or 16 years have passed since that time and that more millions of dollars were lost and that unless something is done now by this Legislature to amend or rescind or repeal an Act of this body, that there will be another 24 years passing by until something is done.

I, for one, am not prepared to wait. I don't think that this agreement was right in the first place and I think it's still an unjust and unfair agreement and I think it should be changed immediately. It could be changed by the stroke of a pen; it could be changed by a vote in this particular Assembly.

Mr. Chairman, I say that the people of Winnipeg, and I'm now, you know, speaking with the benefit of hindsight, but I say that the people of Winnipeg a hundred years ago were overanxious, perhaps greedy, but certainly overanxious at least in wanting to attract the railway to the Province of Manitoba and to the City of Winnipeg in particular. The railway was going through here anyway; there was no question that it was either going through Winnipeg or going through Selkirk. There developed a rivalry and, of course, I can see what happened. Selkirk had a couple of hundred people, who were probably railway people in particular. Winnipeg had 8,000 citizens at that time and there were arguments about whether the railway was going to go up northwest or go due west and so on, all these historical things. I have tried to read and understand them. I could see that in that day and age it was a political problem ultimately, that there was a whole series of concessions made by the citizens of Winnipeg.

Mr. Chairman, as I speak — I am not a lawyer and I have never professed to be a lawyer — but I intend to attempt to address some of the questions that would probably interest the Attorney-General, who is not only a public figure but also a lawyer, because his first thought, I suppose, would be, well, it's a contract, isn't it binding, and it cannot be broken, so I intend to deal with some of those questions.

I also want to say just in passing at this point in the time that when long agreements are entered into, when agreements are made, as in this case, the legislation specified that this series of tax concessions would be given to the CPR "forever", that those agreements inevitably come back to haunt you. I want to say to the Attorney-General, as part of a government, he wasn't around when the CFI agreement was signed, but that was supposed to be a terrific deal for the citizens of Manitoba. That went completely sour. Now his government, and he himself, will have to decide on a long-term agreement with Alcan. I don't want to debate Alcan now but I simply want to say to him that when you are signing a 35-year agreement with 15-year renewal clauses, you better be careful because I believe it's almost impossible to see 35, 50, 65 years or more down the road. I doubt if the people of Winnipeg would have anticipated that this agreement, which they wanted, was so adverse to them in the long-run and that they would have seen their city develop so much over the hundred year period, to go from a small settlement of 8,000 up to 136,000 in 1911, and then up to 357,000 in 1951, and up to the present size.

The railway — as I say, the people in the city wanted this. They wanted this deal. They wanted to pull the railway south. They wanted to offer a bridge and they wanted to give certain concessions and they were prepared to give free taxation forever. The railway played Selkirk and Winnipeg off one against the other very successfully, and I see some of my friends on the left agreeing with me entirely, and we all know about the way municipalities are eager to attract industry, how they'll now be falling over each other in regard to the Alcan deal 50 miles around Winnipeg; how they used to fall over each other within the City of Winnipeg to attract industry; and how this is an age-old game and that somebody has to keep an eye on this; and how the railway at one

time even said to these two towns, you know, we may build right in between. They either suggested they would or threatened to do that.

I believe that the railway was very shrewd and was able to get the maximum benefit for itself. But the Legislature, our people who preceded us in 1883, they approved the deal and I say that was a mistake because it was not in the best interests of the City of Winnipeg and it was not in the best interests of the Province of Manitoba, but I can see how they fell into that, too. They probably said, well, it should go through Selkirk because it's more logical and because there's less danger of flooding and this, that, and the other thing. But then where were the votes? Two hundred votes in Selkirk, 8,000 votes in Winnipeg, at a time when there weren't very many people in Manitoba. I can see how the pressure would have been exerted on them as well.

So I am saying to the Attorney-General, I am interested in this question and I think that if you took a poll and asked people in Manitoba and in Winnipeg what they think of this deal, I think you would have over 90 percent who would say that that deal should be thrown out, and this Legislature has the power to rescind or repeal that law. That is fully within our right to do so.

So we're either going to take a hands-off policy, which some might say there's a contract, let's just sit back and do nothing. If so, Mr. Chairman, we will have to wait 24 more years until full taxes are paid by the railway.

Another approach could be — it's not my approach but it has been said to me already that the railway should be required to pay retroactively for the past hundred years. Well, I wouldn't want to bet on the success of that, on trying to recover all the moneys that were lost over the past century, but I would suggest to you, Mr. Chairman, that if one made a calculation as to how many dollars have been lost to the city over these years, then my calculation is well over a hundred million and that money could have been put to good use to deal with some of the problems, transportation, social and others, confronted by the City of Winnipeg.

I want to say first of all to the Attorney-General — I might mention as well that I have spoken to a number of councillors, I have spoken to half-a-dozen councillors and they all seemed to think this was a worthwhile exercise that should be proceeded with. I had lunch with the Mayor and Mayor Norrie certainly expressed an interest. He said he was interested in anything, of course, that would provide additional revenues to the people of Winnipeg.

So I am simply saying to the Attorney-General that when it comes to a contract; this contract, I believe, was unconscionable. I don't believe you can sign a contract that has a clause in it saying forever; there will be tax exemptions forever. I think it was unwise, unjust and unfair and I think the Attorney-General would probably be able to comment on whether all forms of contract are valid. My understanding is there are many kinds of contracts you can enter into and sign that would be considered unethical or immoral or not in the best interests of the person signing them and therefore they wouldn't hold water in a court.

I also want to point out, Mr. Chairman, that the conditions that prevailed in the province in 1881 up

to 1981 have changed considerably. The obvious one, of course, is that the town or small city of Winnipeg had a population of 8,000 a hundred years ago. The CPR Railway is no longer a railway. The CPR is now a large — if it's not a multinational, it certainly is a conglomerate or it's a giant corporation. In 1979 — I don't have the 1980 Annual Report, which may or may not be out — but in 1979, C.P. Limited, which is now the corporation, Canadian Pacific Limited, made a profit of \$508 million and by the looks of their figures over the past few years, they probably made more money than that in the past fiscal year.

I would like to point out that their profits from the railway were some \$94 million, which is what, about a fifth to a sixth of their total revenue. That came out of their rail operation.

Then there's C.P. Trucks, they lost \$2 million; C.P. Telecommunications, they made \$6 million; CP Air, they made \$13 million; C.P. Ships, \$26 million profit; Soo-Line Railroad Company, \$18 million profit; Miscellaneous, \$18 million - \$19 million; and C.P. Investments Limited, \$335 million. So 70 percent of the profits made by C.P. comes from their investment portfolio and you'll remember, Mr. Chairman, that I guess about five to ten years ago or more that the Honourable Duff Roblin was a director, he became a director — a vice-president, I should say, of C.P. Investments. Of course, under investments, they are into oil and gas, mines and minerals, forest products, real estate, iron and steel, hotels, finance, etcetera.

So we're not talking about the brand new railway company of 1881, which was headed by Donald A. Smith; we're talking about the giant conglomerate, and I can't remember the president's name, but he's a Winnipegger, isn't he? Ian Sinclair. Isn't he a Winnipegger — Chairman and Chief Executive Officer in Montreal?

So I say, Mr. Chairman, that those conditions have changed and I want to simply remind members that the railway company was formed at that time and there is also a very interesting little historical connection there; namely, that Donald Smith, who was the key man I suppose in the CPR, who as Lord Strathcona pounded the golden spike in that famous photograph with the long beard and the high hat and the ceremony somewhere in the mountains of British Columbia, he was also a Director of the Hudson Bay Company and the Hudson Bay Company at that time apparently owned some 1,750 acres in the City of Winnipeg. So when they decided to put the railway through the city, there was real estate boom in Winnipeg, which should come as a surprise to nobody and they sold their land in the City of Winnipeg, owned by the Bay, inter-directorships and interlocking with the two companies, they sold that piece of property for \$2 million.

Now \$1,000 an acre in 1881 must be equivalent to a pretty penny today. It must be worth 50 or 100 times as much as it was at that time. So they knew what they were doing and they got a good deal out of the City, out of the province and then were able to make some extra money on the side.

So, Mr. Chairman, I'm simply saying to the Minister that this particular contract was entered into in 1883, ratified by this Legislature. I believe that the people who made that deal at that particular time

had no right to bind succeeding generations forever and I don't care whether it was a contract or not and the lawyers, I guess, can argue that particular point, but surely an agreement which says that a city must forever exempt a corporation from taxes that cannot be supported in a court of law.

The other thing I point out is that in addition to the city changing and the railway changing, there were challenges made, I guess, within 25 or 30 years of the original agreement by the people of Winnipeg. They already recognized that they were booming and that the CPR was getting off scot-free. The CPR didn't pay a penny to the City of Winnipeg until 1954. So they had no taxes paid for 73 years. It's not a bad deal and there were many other changes that took place in that time.

One of the terms of the agreement was that they had to operate a hotel. They don't operate a hotel now. They had the Royal Alex, it was knocked down; it's now a park. They then got involved in the Northstar Inn and then they sold out of that, so they're not involved in a hotel.

There were challenges made in the first part of the 20th Century. There were changes made; apparently at one time they were supposed to have the Stock Yards built in Winnipeg. They decided to go into St. Boniface and so they built in St. Boniface, which the City of Winnipeg didn't like, but that was a changed condition.

Mr. Chairman, I see you looking quizzical. I assume that you would have wished that they had not built the Stock Yards in that particular part of town, or that the wind would blow the other way to take with it some of the side benefits of that particular matter.

MR. CHAIRMAN: The honourable member has five minutes.

MR. DOERN: Thank you.

I saw a picture of the Premier in the paper twice holding his nose, but I didn't see one of you. (Interjection)— Two hands.

So, Mr. Chairman, the railway finally under pressure over a period of time, decided in 1954 to pay \$250,000 and as my colleague says, "Big deal". That was about a quarter of what they should have paid and then the Roblin Government, urged by the City of Winnipeg and maybe some of their members and by general support in the Chamber, pressured the railway and pressured the city to enter into a new agreement, which they did in 1965. From that time on, they went into 1964 and they started a measure whereby they would pay 50 percent for a period of years and then it would go up to 60 and now it's up to 70 for 1981 to 1988, we're at the 70 percent mark.

Mr. Chairman, after 100 years we're up to 70 percent, after 70-odd years of no payment and I say that that is far too long, and if it was right for the Chamber to bring in legislation to amend the Act of 1883, which was our provincial act ratifying the city's agreement of 1881; if it was right for them some 16-odd years ago to change the agreement, then it is right for the Legislature of 1981 to change that agreement. Because I for one am not prepared to wait another 24 years. It isn't necessary. I think the railway has had a free ride; they've had a free ride for too long; they've had a cheap ride; a cheap ride for the last 27 years. I think enough is enough.

So I conclude at this point, Mr. Chairman, to ask the Attorney-General as a representative of a government, the government, as to what his position is on this particular matter? I'm very curious as to what stance he will take, whether he will support a measure of this kind, or whether he's simply going to say, we'll look into it or we'll monitor it or let's wait another couple of years. I say it's gone on for far too long and I would like to know what position the Attorney-General would take on this matter.

MR. CHAIRMAN: The Honourable Attorney-General on a point of order.

MR. MERCIER: Is the Member for Elmwood, Mr. Chairman, allowed to ask a question relating to the Estimates in another department when we're considering Urban Affairs?

MR. CHAIRMAN: I think on the question — I'll answer and if the Honourable Member for Elmwood, he can ask any kind of a question he wants, he's really responding to the Minister's salary and he can ask any kind of a question he wishes.

MR. DOERN: Mr. Chairman, just on a same point of order.

MR. CHAIRMAN: On the same point of order?
The Honourable Member for Elmwood.

MR. DOERN: I would like to hear the response of the Minister of Urban Affairs and I would like to remind him in case he forgot, that he is the Minister of Urban Affairs and he is responsible for dealing with the City of Winnipeg and he should be interested in this in case he isn't.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Yes, Mr. Chairman, I don't think that anybody would fault the Member for Elmwood for going back to the question of the CPR paying taxes to the City of Winnipeg. As long as I can remember anything, I can remember from time to time that when there was a law in terms of what to ask for, people said the City of Winnipeg should pay full taxes, the CPR should pay full taxes to the City of Winnipeg, and I believe that the 1954 initiative came after all kinds of complaints and Steve Juba, who was then not yet Mayor of the city, or just — yes, I don't think he was quite yet the Mayor of the city — was making an issue out of the CPR paying taxes.

I can remember, Mr. Chairman, making some small contribution to this item myself when I was a Metro Counsellor in 1962. I can remember that Duff Roblin went back and got a new agreement as between himself and the CPR and hoped that that would sort of pour oil on the troubled water, but he didn't reckon on the Member for Elmwood some 15 years later, even though the present agreement phases out any exemptions and requires 100 percent taxes, coming up with this program again and quite justifiably. I'm not faulting it, except that it's not, Mr. Chairman, a new issue and furthermore and what is more important, for those people who are advocating an entrenched Charter of Rights, please let them not ask for this type of thing. Because this type of thing

is a contract between the Provincial Government and the Federal Government and there is numerous areas within an entrenched Charter of Rights to have the courts find about the sanctity of contract and the confiscation of property or property rights in a contract, without compensation and it is my prediction, Mr. Chairman, that if there is an entrenched Bill of Rights and the Member for Elmwood ever gets into the government, where he can by a stroke of the pen wipe out the CPR's position with respect to taxes, then nine judges of the Supreme Court of Canada will say, "You do not have the power to do that."

That is my suggestion, Mr. Chairman, and I can give my friend ample authority for what I am now saying, because the New Democrats in Ottawa were so happy that they wiped out the word property. They thought that was a major advance in the Charter of Rights. Well let me tell those New Democrats, Mr. Chairman, that the words "life, liberty and the pursuit of happiness" have been equated with life, liberty and property and if life, liberty and the pursuit of happiness can be equated with property, then by the same legal — it doesn't even require ingenuity, life, liberty and the security of the person, can be equated with life, liberty and property.

So I tell my honourable friend that he's got a good program; he had better stop even keeping quiet about an entrenched Charter of Rights and better start fighting it, if he intends, if he ever has the power to deal with the thing that he said can be done with the stroke of a pen by the legislator of the Province of Manitoba, because it probably can't now be done by the stroke of a pen, but the entrenched Charter of Rights is going to affect all the legislative jurisdiction of every provincial government and of every Provincial Legislature in this country.

So I raise that, because I often hear members get up and say that they believe in compulsory seatbelt legislation. They also believe in entrenched Charter of Rights, and in Alberta, it's own legislation regarding compulsory seatbelt legislation, was struck out by virtue of their own Bill or Rights, which at least they have the opportunity of changing. But what would happen to this compulsory seatbelt legislation and the right to say to the CPR with a stroke of a pen that we are eliminating this agreement which you have, which gives you certain exemptions for a period of 25 years.

Mr. Chairman, the Honourable Member for Elmwood has said that the Department of Urban Affairs doesn't have enough civil servants. Without in any way detracting from that position, may I say, Mr. Chairman, that on the part of these members of the House, on the part of the Progressives, the Department of Urban Affairs has too many civil servants; that they don't need that many civil servants; that when you look down the list, you will see that the Department of Urban Affairs has virtually eliminated any provincial thrust in the area of urban question and if you have no urban thrust in the area of urban questions, why do you need three civil servants.

What they could do is transfer the entire operation to the Department of Finance, Mr. Chairman, and have the calculation of the fund blocking grant, worked out by the Department of Finance because,

Mr. Chairman, I sympathize with the Minister. I was a Minister of Urban Affairs and it was my specified intention that I did not want there to become a bureaucracy attached to the Department of Urban Affairs; that we would have a certain number of people in those areas, which we knew the province wanted to make a contribution in urban thrust. One of them was Transportation and we then hired a transportation person and that for all other things we would try to co-opt from other departments those people who could give us assistance in those areas in which we had to deal with the City of Winnipeg.

But, Mr. Chairman, even that has gone by the board and I think that the three civil servants who are sitting in front of the Minister, and with all respect to them, they are overpaid; they should be gotten rid of, and because I am more a humane person, I would place them in other departments. I mean, the First Minister would call them into his office and say you're fired, but I would say, well, they're decent civil servants and they probably can be of use in other places and I won't eliminate any statements of appreciation that have been made to them by their fellow civil servants, as was done by the Minister in charge of Hydro, at considerable expense to the Hydro users. But he doesn't need them and the Department of Urban Affairs can be wiped out. After all, before 1970, there was no Department of Urban Affairs. It was a Department of Municipal Affairs and, Mr. Chairman, when a Department of Urban Affairs was started, it was intended to be limited and I believe that my friend, the Member for Seven Oaks, that my friend, the Member for St. Johns, and myself, tried to keep it limited, did not want a growing bureaucracy in Urban Affairs. But we did say that the province had some urban thrusts and in those areas we would have to have expertise, and we did have expertise in the department to deal with those thrusts.

Now, what has happened in the Department of Urban Affairs? The Provincial Government has virtually disclaimed, Mr. Chairman, any intention to involve themselves in urban problems. They have made this disclaimer a virtue. They have not said that they abdicate any responsibility; indeed they have said that by disclaiming any responsibility in urban affairs, they are giving the City of Winnipeg complete autonomy to manage its own affairs, which won't be interfered with by the Provincial Government. That has been their position, Mr. Chairman, and indeed that has been their action because we now see a fund-blocking grant of \$38 million in this year's Estimates and \$33 million in last year's Estimates, pursuant to the stated provincial intention to abdicate any responsibility in determining whether there are urban thrusts at the provincial level and rather, taking in their words, an estimate of the kind of money that the city would get from all of the grants that were given to it which reflected urban thrusts, translating that into dollars, turning it over to the City of Winnipeg and saying this is an unconditional grant. It was called, Mr. Chairman, block funding. It is more correctly described as fund blocking because in those areas where the urban thrust was reflected by some contribution on the part of the Provincial Government, the costs will have gone up faster than the inflation rate that is being used by the Provincial

Government in giving unconditional grants, notably, Mr. Chairman, and there are several areas, but notably in the area of transit.

And what has happened, Mr. Chairman? The Minister comes in and says that the City of Winnipeg taxes have gone down, or they have not gone up at the rate that they would have gone up by virtue of this fund blocking. But, Mr. Chairman, the Minister is very selective in the term that he uses to designate taxes because in some of the areas affecting the people least able either to articulate their objections or to make themselves heard at the city council level, the taxes have gone up enormously. In the one area of the fare box tax, the taxes to a person making regular use of the transit, if it was only one person in the family, Mr. Chairman, have gone up this year, and I'm not taking past increases, 40 cents a day. If you calculated that on the basis of 300 days, because I would say that the working person also uses the bus on weekends to go shopping, but I haven't even included every weekend; I've said 300 days, leaving 65 days in which he doesn't use it, which is more than Sundays, it's Sundays plus 13 days. It's gone up by 20 cents a ride and I assume that just as the road from Winnipeg to Toronto is also the road from Toronto to Winnipeg, the road that you take the transit to get to where you are is also the road that you have to take the transit to get back from where you are — 40 cents a day; \$120 a year. Are my mathematics correct? \$120 a year, representing, Mr. Chairman, for an average home which is used, to try to figure out what has happened to the mill rate, a mill rate of probably 10 to 12 mills, double the increase in the mill rate to other taxpayers in the City of Winnipeg, Mr. Chairman. And if I'm wrong in the mill rate, I'm only wrong in the numbers. It is double the normal increase in the City of Winnipeg, and I use the word in quotes, "taxes."

That is what has happened, Mr. Chairman, with regard to the taxes that have to be paid on a daily basis by the average citizen of the City of Winnipeg, if only one of them was using the transit. If two were using it, it's \$240 and if they have children who are using it, it's much more. A mill rate increase, Mr. Chairman, double, to all of the mill rate increases that are available to other citizens in the community.

That, Mr. Chairman, is a direct result of fund blocking because under the New Democratic Party, under the previous government, and even under the Roblin Government, they did say that the City of Winnipeg is free to raise its mill rate and to tax money and to operate its affairs as it sees fit. But once the City of Winnipeg says we want other politicians at the provincial level to tax the people and give it to us to make our lives easier because we don't have the guts to tax the people; we are municipal politicians and we want to be able to spend money without raising the revenues. If they say that, Mr. Chairman, and I indeed even put it in a less negative sense, if they say that it is fair that the province participate in some of our programs because they are provincial in nature and therefore we want to discuss which ones; on any of those two grounds, Mr. Chairman, the province, the provincial legislators who are saying that we will go out and raise \$38 million to be turned over to the City of Winnipeg, is entitled to say we have some urban thrusts and priorities that we would like to discuss with you.

If that was done, Mr. Chairman, then I want to indicate that there are at least three priorities that the Minister would be able to discuss with the City of Winnipeg and represent a provincial interest in the urban development of the City of Winnipeg rather than an abdication of provincial interest in the affairs of the City of Winnipeg, which the Minister feels is a program for which he should be applauded.

Mr. Chairman, I would say that urban transportation of a mass variety, rather than as a right of a person to get into a car and drive himself downtown and back from downtown and use the streets for which everybody is taxed and cause great conglomeration of vehicles in the City of Winnipeg and property used for parking, etc., that that is something that should be avoided in the downtown area and that is something which the Provincial Government has an interest in seeing avoided and it should have been, as it was, the policy of the Provincial Government to say that a certain amount of provincial revenues are going to be turned over to the City of Winnipeg to facilitate a joint program, Mr. Chairman, of urban transportation. Part of that program of urban transportation is to maintain low fares — Mr. Chairman, I would go further, I would say reduce fares — because the only way to improve the economic efficiency of the transit system is to reduce fares. A transit system is measured in terms of costs per rider and as sure as God made little apples, the cost per rider of the transit system is going to go up this year, not down, and the reason it will go up is because there will be less riders. The reason there will be less riders is that we have increased the desirability, to use it in the negative sense, of not using the transit, and the cost per rider of the system will go up, whereas if more riders use the transit, then the cost per rider would go down and the way in which you measure cost per rider is to take your costs of operation, divide them by the number of riders, and you have cost per rider. Anything that increases that is bad for the system; anything that reduces it is good for the system, and you can go all the way, Mr. Chairman.

What I am suggesting is not something new; it goes back further than the CPR paying taxes. One of the most far-sighted mayors in the United States was a man by the name of Tom Johnson, who was an industrialist, a millionaire, and read Henry George and he became a single taxer and immediately moved towards eliminating all fares in the transit system in Cleveland in the early 1900s. I don't know whether he ever got them eliminated, but that was his direction. When people said if you do that, everybody is going to ride the system, he said that would be very good if it were true but I don't happen to believe it. He said just because it's free to go on the elevators in the Richardson Building, you don't have people running to get up on the elevators and ride up and down because it's free; they happen to get on the elevators because they have to go someplace and they get on to go down someplace, and it would be the same system insofar as the transit system is concerned, Mr. Chairman, and it wouldn't cost more, it would cost less. How it would be paid for would be different, but the cost would be less. It would be paid for by the community generally, in greater proportion, and that was the position of the previous government and that

position has been abandoned by this government at great cost, Mr. Chairman, to the transit system. You will not, Mr. Chairman, dissuade me from my position by suggesting, well, the deficit is smaller, therefore it costs less. That's nonsense. Cost is not determined by way of deficit; cost is determined by what it costs you to run the service. How you collect the money to cover that cost is optional and the Minister has chosen that it will be at the fare box rather than by virtue of a general revenue plus business taxation and property taxation revenue. But that doesn't reduce the cost, that increases the cost, Mr. Chairman.

It's because the province has abandoned its policy of having an urban thrust that we have a more costly transit system and where we have a transit system which is less efficient and where we are imposing double the increase in the mill rate on those citizens of Winnipeg who happen to use the transit system. That is directly attributable to the policies of the Conservative administration, Mr. Chairman, those policies which are in need of change and which a Progressive Party government would change.

We would not agree, Mr. Chairman, to continue a fund blocking proposition. We would say that the elected representatives at the provincial level, if they are going to have to raise the taxes and be responsible for them, have a right to discuss what happens with this \$38 million. I say that if we did have a right to discuss it, it might even be more than \$38 million, although I will confess, Mr. Chairman, never to having been generous with the city government. I'm not saying that I was overgenerous; I wanted to make their grants sensible. I certainly wanted to discuss it and I was willing to give them all kinds of options with regard to increasing their revenue but as far as provincial revenues, yes, I believed that they should be tied to provincial option and to provincial priority.

Another area, Mr. Chairman, where the province has abdicated its responsibility with disastrous results to the City of Winnipeg and I think that even the Minister will agree that he doesn't like the result. He will stand steadfastly and stubbornly to the position that it's right to do it this way, but he doesn't like the result. He does not like the fact that whereby the provincial government used to be able to say that insofar as major routes in the City of Winnipeg which are needed in terms of connecting with provincial highways, we are going to allocate certain moneys with regard to streets, and that's the way it was done, Mr. Chairman.

The province sat down with the City of Winnipeg and said here are the roads that are both of necessity to the City of Winnipeg and necessity to the people of the province; the provincial government has a responsibility for helping participate in the cost of those roads, and they were dealt with and that's the way the money was given — by the way, both under the Roblin administration, under the New Democratic party administration.

What did the Minister do when he went into the fund blocking arrangement? He said the \$38 million can be spent as you see fit, and moneys that were specifically allocated for a major thoroughfare to north Winnipeg, which God knows is needed, Mr. Chairman, were now said by the City of Winnipeg, we are going to keep the money, we are going to buy

certain property which we have now got for it, but we are not going to build the program. Now there were some specific moneys allocated federally for this program, but this \$38 million, Mr. Chairman, deals with all of the moneys that would have been available and therefore I would suggest that it also deals with moneys that would normally have been available for a major overpass in greater Winnipeg.

Interestingly enough, Mr. Chairman, I grew up on 716 Selkirk Avenue, I lived there for 22 years at Selkirk and Parr. As long as I can remember I got to North Winnipeg through four options: the Main Street Subway; the Salter Bridge; the Arlington Bridge; and the McPhillips Street Subway. It is now 45 years later and the citizens of Greater Winnipeg get from the heart of the city to North Winnipeg by virtue of the Main Street Subway, the Salter Bridge, the Arlington Street Bridge, and the McPhillips Subway. The Arlington Street Bridge on at least half-a-dozen occasions has been stated to be falling down; the Salter Bridge similarly. In the same period of time you have added to North Winnipeg everything virtually west of McPhillips and Alfred, because that was all country; everything north of maybe Bannerman or Polson — I would say Bannerman, everything north. There was no such thing as Garden City, there was no such thing as the Maples. It was all rural, the population has multiplied as much as in any other area of the city which has been granted very quick and without argument facilities to get to their area, but not North Winnipeg, Mr. Chairman. And the reason that North Winnipeg doesn't have it is that the people who are not in that part were so happy to know that it was going to be rejected by some North Winnipeg aldermen and therefore could easily, Mr. Chairman, vote for it, knowing that it wouldn't pass by virtue of some of the North Winnipeg aldermen themselves, and, Mr. Chairman, that matter will take care of itself. That matter will take care of itself because these North Winnipeg aldermen have given the impression that they are for rail line relocation and they better had not stand on one foot waiting for rail line relocation because they will get very tired very quickly and by the next election in North Winnipeg, there will be no rail line relocation or the breath of it. At that time the people in north Winnipeg will say these people convinced us that we should wait for a banana split when all we wanted was an ice cream cone and now they won't give us either, and the North Winnipeg people will take care of that situation by themselves.

But it's the Provincial Government, Mr. Chairman, who has to be blamed for not maintaining a provincial urban thrust within the City of Winnipeg and they have not done so.

There is a third area, Mr. Chairman. Under the New Democratic Party government, and I regret that we did not go as far as I would liked to have gone, we were able to impress upon the people of the Province of Manitoba and I believe we were successful at impressing it on our rural friends who were the ones who were going to have to pay, that there were provincial parks at Falcon Lake, that there were provincial parks in the north-west part of the province, that there were provincial parks in other areas of the province to which the citizens of Winnipeg were contributors as to the cost. We also said that there is a provincial park in Greater

Winnipeg; that one has to look at Assiniboine Park and say is this for the citizens of Winnipeg or is this for everybody, and if it's for everybody shouldn't it be paid for by the province and designated as a provincial park rather than be the responsibility costwise of the citizens of the city. Mr. Chairman, I believe that we were able to convince the rural members, who were the ones who were going to have to pay for that, yes that's fair, that's right.

Do you know what we had difficulty with, Mr. Chairman? We had difficulty with the likes of the Minister of Urban Affairs and some of the other city councillors who said that the Provincial Government is expropriating a park. What was being expropriated, Mr. Chairman? The cost of operating the parks. In other words, the city liked to believe that they were being done in by virtue of \$3 million a year being assumed provincially rather than city-wise.

Now, Mr. Chairman, I have no hesitation in saying, and I would welcome the City of Winnipeg aldermen making it an election issue for me by rejecting it, that under a Progressive Government the province would recognize the provincial nature of Assiniboine Park and would have all citizens in the province pay for the operating costs of that park rather than have it paid for by the City of Winnipeg. The Minister with this three civil servants has abdicated, Mr. Chairman, any responsibility in that connection and has said we will give the City of Winnipeg \$38 million, we will block further funds and we will not have any responsibility to the people of the province, whose taxes we are spending, as to what happens in the City of Winnipeg. That is not, Mr. Chairman, an urban position and contrary to what the Member for Elmwood says that they don't have enough civil servants, they have too many civil servants, Mr. Chairman, because they have abandoned an urban thrust and if you don't have the thrust, you don't need the bureaucracy to implement it.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The hour is 4:30. I am interrupting the proceedings for Private Members' Hour and will return into committee at 8:00 o'clock this evening.

IN SESSION PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. We are now under Private Members' Hour. On Thursdays the first item of business is public bills.

Bill No. 5, An Act to amend The Gasoline Tax Act, The Motive Fuel Tax Act, The Revenue Tax, 1964, The Retail Sales Tax Act, and The Tobacco Tax Act, standing in the name of the Honourable Member for Minnedosa. (Stand)

Bill No. 14, An Act to amend The Medical Act standing in the name of the Honourable Member for Rhineland. (Stand)

Bill No. 17, The Medical Act — the Honourable Member for Logan.

MR. JENKINS: Mr. Speaker, stand Bill Nos. 17, 18, 20, 21, 22, 25, 40, and 47.

MR. SPEAKER: Can I get that again — 17, 18 . . .

MR. JENKINS: Mr. Speaker, perhaps it would be better if I gave you the bills that I am prepared to

deal with today. I am prepared to deal with Bill No. 30 under Public Bills, and under Second Reading on Private Bills, Bill Nos. 16 and 33.

MR. SPEAKER: Bill No. 28, An Act to amend The Employment Services Act, standing in the name of the Honourable Member for Gladstone. (Stand)

Bill No. 43, An Act to amend The Public Utilities Board Act, standing in the name of the Honourable Member for Gladstone. (Stand)

ADJOURNED DEBATES ON SECOND READING — PUBLIC BILLS

BILL NO. 30 — AN ACT RESPECTING THE SPERLING JOINT COMMUNITY CENTRE DISTRICT

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Thank you, Mr. Speaker.

We have examined this bill and we are prepared to have the bill go to Private Bills Committee at this time.

QUESTION put, MOTION carried.

MR. SPEAKER: Bill No. 49, An Act to amend The Landlord and Tenant Act (2), standing in the name of the Honourable Member for Gladstone. (Stand)

SECOND READING — PUBLIC BILLS BILL NO. 53 — AN ACT TO AMEND THE ELECTIONS FINANCES ACT

MR. SPEAKER: Bill No. 53 — The Honourable Member for Inkster.

MR. GREEN presented Bill No. 53, An Act to amend The Elections Finances Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I rise to speak on this bill and I say with no hesitation that I'm exaggerating that this bill is just as important to the principle of parliamentary democracy, perhaps more so than the matter I raised last year when the Minister introduced in The Election Act a provision dealing with what people could say or could not say during an election campaign.

The section that I am dealing with, Mr. Speaker, is just as nefarious, and may I say that it is merely symbolic of what I say will be the result of the entire process which is envisaged by The Elections Finances Act, which really introduces a much more fundamental principle; namely, Mr. Speaker, that the public will be required through the relinquishing of taxes to finance political beliefs of one political party or another political party and not finance other political beliefs. I did, Mr. Speaker, in talking to both of these bills last year, make the objection, so I don't want it to be in any way construed that my objection comes from a present circumstance. As a matter of fact, Mr. Speaker, I introduced this bill some time ago and the objection that I made last year with

regard to both The Election Finance Act and The Elections Act are recorded on the record.

I said, Mr. Speaker, at that time, and it may be quoted back to me, that I am going to ignore the Act, that I am going to be financed in exactly the same way as I have always been financed and that I am going to proceed to fight the election as I have always proceeded to fight elections, on the basis that I am putting myself before the public and hope to be commended for what good that I have done and to be condemned for what bad I have done.

But I suggest, Mr. Speaker, that it is not going to be that simple in the future and it is not that simple at the present time. Because parties are now formally recognized as part of the election machinery, which was never the case, Mr. Speaker, parties never had a role to play in the parliamentary process which could be found anywhere other than by people seeking election, getting together, and saying that they are going to pursue the same objections, but that was an entirely informal, not legally-recognized arrangement, and nobody could tell a person how he should behave as a parliamentarian and nobody could tell a person what political grouping he belonged to or what he did not belong to.

We are now moving away from that, Mr. Speaker, and I say moving away dangerously, because we are in the thin edge of the wedge of saying when a political party is a political party, when it is not, what will happen when it is recognized and what will happen when it is not recognized. The Member for Fort Rouge alluded to the fact that she would not use it, but they are registered under The Election Finances Act, as if suddenly that gave a party the right to seek votes and perhaps — the Progressives are not registered under The Elections Act. Well, at the moment, Mr. Speaker, we are not. We do have an application pending before the Commission on the same basis as the Member for Fort Rouge's party was elected, and it's now in the hands of the Conservatives and the New Democrats and the Election Commission. I don't know what they are going to decide, Mr. Speaker, and I don't much care, because the entire process is not one that I think that citizens in our society should be subjected to. If, in the last analysis, the Progressives have to run as 57 independents, and we will never have to do that — it will only be a question of choice — that will be done. And if 57 independents, a non-registered party which has not received public financing, is elected the government of the Province of Manitoba, it will not any the less be the government, Mr. Speaker.

Therefore, those people who think that by some kind of legal step one can somehow make credible or incredible a political position, I want to tell them they are wrong. The bill that I am moving, Mr. Speaker, I moved before I knew that there was any notion that this was going to be a feature of it. I moved it because I said that The Election Finances Act, Mr. Speaker, is symbolic of what happens when you go in that direction.

I want to focus on this section because it should tell honourable members more about what the future holds in store when you start on this path than any other section I could have chosen. Mr. Speaker, this section says that no person, no trade union, nobody, can spend any money to advertise, Mr. Speaker, a

person who is running in an election campaign except the official of that political party. It says, Mr. Speaker, that no trade union can send to its members a publication in which there would be an appeal for that political party.

Listen to it: "No person or trade union, other than the Chief Financial Officer of a political party or of a candidate shall incur expenses for advertising or permit or give consent to any person to expend money on advertising in support of or in opposition to a candidate in an election or a political party, by publication during an election period in any newspapers, magazines or other periodical publications."

Mr. Speaker, what they are going to do is to say that you can make the whole newspaper something to publicize an election, but you can't buy an advertisement. So the group for good government, or the Winnipeg Free Press could, on its front pages, say we want you to elect the Conservative Party, but if a group of citizens wanted to put it into the same newspaper, an advertisement saying we want you to elect the New Democratic Party or the Progressive Party, it would be illegal during an election campaign. It is illegal for the citizens of the Province of Manitoba, Mr. Speaker, to spend money for the purpose of trying to advertise for a candidate in an election campaign. It is illegal for a person to purchase space made available during an election period by the owner of any property or of any billboard erected on property where there is a charge made for the space or for the use of the billboard. If there is no charge, Mr. Speaker, you can do it. But if there is no charge, isn't the billboard company providing money as an expense for proposing somebody in an election campaign? It means, Mr. Speaker, that Universal Billboard can advertise for anybody in an election campaign. Is that not right? Because in that case, there is no charge made for the use of the billboard. But if Universal wanted to put on every billboard that was empty in the election, "Vote Conservative," is that a violation of this Act?

And, Mr. Speaker, what is more important, the government of the Province of Manitoba can publish a pamphlet, have it distributed for \$14,000, have it distributed to 200,000 homes in the Province of Manitoba, at government expense, just before the election is called, and if a group of people got together and said we want to push the other position; we want to buy space in a publication saying that we don't agree with this position, we support those people who take the other position; it is illegal for them to do so, Mr. Speaker.

Now, this is not the last section, because it will soon be realized that the expenses of buying advertising is not the only way you can promote somebody in an election campaign. You can do anything. You can print a newspaper, and make it a weekly paper for the three weeks preceding the election, and that could be done by the Conservative Party. If it's done by the Conservative Party then again, Mr. Speaker, as sure as God made little apples, the New Democrats will come in and say, well, this is a violation of The Elections Act; it's true, we didn't prohibit publishing a newspaper by yourselves for the three weeks but that is an expense; it is done by an organization such as the

Chamber of Commerce, which is friendly to the Conservatives and it's being used to get around this section.

So what do you do when it's being used, Mr. Speaker? You don't eliminate the section, you say, well, they found a way of getting around it. You do what the Minister of Agriculture is doing with the Foreign Purchases Act — we'll make a new section that you can't publish a newspaper during an election campaign.

So what will happen, then Mr. Speaker? Well, since publication of a newspaper is illegal during an election campaign, they will be published in cellars, and that always happened, Mr. Speaker. Every time you have made the publication of this type of material illegal, it hasn't stopped the publication of the materials, it has resulted in the police raiding printing presses and breaking them up because they have been illegal printing presses.

Now why is this necessary, Mr. Speaker, because it is necessary. It wasn't put in maliciously; it was not put in maliciously. It was said that a political party can only spend a certain amount during an election campaign and the money that they are going to spend is going to be tax deductible so all of this has to be regulated. In order to regulate it, we have to make sure that only the party is spending money during the election campaign.

The Government of Quebec had the same notions, Mr. Speaker. They said that in the "oui ou non" campaign, the only money that could be spent could be spent by the committee responsible for the "oui" and the committee responsible for the "non." They made the democratic process regulated by Parliament. They said if you want to go "non," you have to go through one committee, and they were given a certain amount of money by the government. If you wanted to go the other way, you had to go through the other committee.

What if you wanted to be on neither committee? What if you wanted to take a "oui" position or a "non" position or a "protest" position? You were prohibited, by law, from participating in that election campaign, and that's what the Government of Quebec did. In the last election in the Province of Quebec, the newspapers suddenly found out that a person could not buy an ad to support a candidate that he wanted to win because that would be in violation of The Elections Act, and the reason that violation was there, is that parties could only spend a certain amount of money and that the money they were collecting was coming from tax-free contributions.

This is all done, Mr. Speaker, with the motivation that somehow it will be fairer if political parties not be given an advantage on the basis of where they get their funds, and since less funds are available to some political parties than to others, it will be fair if there is a limitation. And it doesn't work out that way, Mr. Speaker.

I used to remind my New Democratic Party friends, and I still remind them now, that the Douglas Government in Saskatchewan was elected without an Election Finance Act, or without the party being financed by the public. It was financed by the people who believed in it; that the government in 1969 did not need public financing or laws saying what you can say or what you cannot say during an election

campaign in order to get elected; that the government that was elected in British Columbia did not need laws as to what you can say and what you cannot say during an election campaign although they, too, Mr. Speaker, have some kind of silly law that says you can't take a public opinion poll and publish the results during an election campaign. So what happened, Mr. Speaker, did that stop public opinion polls? No, there came into being the best advertised poll in the country, the Hamburger Poll. In British Columbia there was a hamburger poll. A person set up his hamburger shop and said that he is going to publish who buys more hamburgers, whether it's Bennett-burgers or Barrett-burgers. Everybody was looking at the hamburger poll and what's wrong with it, Mr. Speaker? What's wrong with it?

The fact is, Mr. Speaker, I believe that this limitation is the thin edge of the wedge. It is a problem and it is a problem that we should dispose of immediately, following which, Mr. Speaker, I will move for the elimination of the entire Election Finances Act, which is something which I have always indicated I do not agree with, still do not agree with, and I believe will do ultimate harm.

Mr. Speaker, I don't wish to have my position misconstrued. Once you have this thing, it becomes almost a compulsion that you have to use it and the people who are running as Progressives will use it too. They will be able to get their election contributions deducted in one of two ways if they are not now registered by the Commission. They will register as candidates, in which case they can give a receipt as a registered candidate, and they will be registered candidates, and they will do it, Mr. Speaker, because they cannot go and ask for money on the basis that a \$100 contribution to them is \$100 contribution, whereas one to the Liberals and New Democrats or Conservatives only cost the contributor \$25.00. So they're stuck whether philosophically they agree with it or not, they are stuck with it.

Secondly, Mr. Speaker, there will be no difficulty and, I can tell you this because I know of experience that if it's necessary to gather 2,500 signatures, something which is not imposed on the Liberal Party, something which is not imposed on the Conservative Party, or the New Democratic party, then the 2,500 signatures will be obtained. There's no difficulty in that connection.

But what is interesting is that prior to 1980, political parties were formulated in this province in the best tradition of the way political parties were formed, the way the Liberal Party was formed, the New Democratic Party was formed, the Conservative Party was formed. They did not need, nor should they have needed, any approval from anybody else. They stood up and said, "we are a political party." It will be the public who will say whether we are a political party or not, by what they do in the election. The first step of this erosion and I admit that it's necessary, I'm not saying that once a person is involved in collecting political contributions, you're going to have to say that he has to have some Legislative status as a party.

But the problem stems, Mr. Speaker, from the fact that we are saying in this province that political parties are going to be financed publicly and they

are. If you give a total tax rebate to those people who fund a political party, then that tax rebate is not given to people who don't make a contribution to a political party, and to that extent their taxes go up. So people may in conscience not want to contribute to a political party. Is there some area where they can say, "I want my conscience contribution, that is, I don't believe in politics?" And that's not far-fetched, Mr. Speaker. There are people who don't vote. I believe that the Jehovah Witnesses do not vote. So why can't they give \$100 to the Jehovah Witnesses and get back \$75 of the taxes that they paid on the basis that they don't believe in any party. And maybe if there's an entrenched Bill of Rights, they will say that this law is a violation of freedom of conscience, although I doubt it, Mr. Speaker, because they carry their logic only so far as until it hurts them and when it hurts them they say no. And the fact is that all established political parties in this country have fallen into this system and it's one which is prevailing at the present time and it leads, Mr. Speaker, to the most anomalous of all laws, that you cannot buy advertising space to promote a candidate or a political party in an election campaign. It led in Israel, Mr. Speaker, interestingly enough, to the kibbutz scene who wanted to support the labour candidates in municipal parties, getting an injunction against them, because it was against the law to spend money to support a political party. And I hope that I'm remembering it correctly. I'm not sure that it was an injunction but it was the law that brought itself down on this group because they wanted to support people for election.

Now, what a full circle for the democratic system to take when it becomes against the law to spend money to support a political position. And, Mr. Speaker, those New Democrats who think that this will do them good, are wrong, because the Winnipeg Free Press, the Government of Manitoba, and the other agencies will show that they can spend the money and they will know how to spend the money in an election campaign. And there will be a law prohibiting the Manitoba Federation of Labour from putting an ad in the paper saying, "Support New Democrats throughout this province." unless, of course, they get the consent of the political party but they wouldn't be able to spend more, Mr. Speaker, which they should have a perfect right to do.

MR. SPEAKER: Order please. The honourable member's time has expired.

The Honourable Attorney-General.

MR. MERCIER: Well, Mr. Speaker, I really didn't come prepared to speak to this bill, but having listened to the Member for Inkster speak to it, I feel compelled to make a few comments.

The Member for Inkster is suggesting that there will be no way for any person or trade union other than the chief financial officer of a political party or candidate to incur expenses. What he basically says, to advertise. He specifically refers to the Manitoba Federation of Labour in speaking to members of the official Opposition. Mr. Speaker, the Manitoba Federation of Labour, if they wish to advertise to support any member opposite or any member on this side, Mr. Speaker, in the next election, simply have to make a donation of money to the political party or the candidate and with that money that political

party or that candidate can use the money to advertise in the media of billboard, broadcasting, etc., to announce to everyone that the Manitoba Federation of Labour is supporting candidate X in the election.

There is no restriction on any person or any trade union in this legislation, Mr. Speaker, no restriction which would not allow a person or trade union through the process to allow for advertising during a campaign. What section 44(l) does is impose a limitation on advertising costs during the election period on political parties. I think this concept was, as I recollect, and I could be wrong, the Member for Churchill will tell me if I'm not. After the bills were amended, I think the members of the Legislature, except for perhaps the Member for Inkster, supported the legislation and said there should be a limitation on advertising costs during the election period on all political parties, and with good reason, Mr. Speaker.

We have seen attendancy in recent federal elections with the kind of advertising that's gone on and maybe with a heavy concentration on advertising through television and the media, and I think as a result of that experience we in this Legislature have concluded, and I brought forward the position in introducing the bill last year, that if you're going to restrict election costs, that this is the one area where you should do it because this is the one area where the largest amount of money can be spent in a TV blitz by any party which would appear does have a significant effect on an election campaign. And if there is any justification for imposing a limitation on the costs of any part of a campaign, particularly it should be on advertising costs through the media, through television, radio, etc., and I think that was accepted. Once you accept that principle, Mr. Speaker, you have to go further and restrict moneys spent by anyone in that whole area during the election period.

There is a mechanism for a person or trade union to support an individual candidate by making a donation to that party or that candidate and thereby giving the party or candidate sufficient sums to develop its own advertising campaign during the campaign period within the limitation on cost. But if you don't have the kind of limitation on people other than the political parties or the candidates, then what is to stop any other party? Well, let's use the Progressive Conservative Party. What's to stop myself as a candidate in the next election from going to my friend in my constituency and saying, gee, we've reached the maximum; we've spent the maximum, or we budgeted to spend the maximum on advertising in the campaign but I think I need a little more advertising, and the way to get around it is for you to, on your own, pay for some advertising, and have additional advertising and we'll have more advertising than the NDP candidate and the Liberal candidate, and get around the restrictions. If you agree to the restriction on advertising costs by anyone; if you agree to the restriction on advertising costs by a party or a candidate during the election campaign, then it seems to me it necessarily follows that you have to prohibit persons other than political parties or candidates from advertising because otherwise, you may as well not have the restrictions because it will be so easy for anyone to get around the limitation and advertising cost.

I accept, Mr. Speaker, and I think all members were very reluctant particularly during the committee debate last year on restrictions. They were very concerned about restrictions on contributions because a number of them were deleted from the Act on the motion of members opposite or by motions from members on our side. We left this one in. We felt it was justifiable and because you accepted, you have to, Mr. Speaker, follow along with Section 43 which imposes that limitation on other persons.

Now, in speaking to this bill, Mr. Speaker, the Member for Inkster indicated he is opposed to a person making a donation to a political party receiving a tax credit. Again, Mr. Speaker, there are varying opinions. I think members opposite indicated that they would go further, they would in fact bring about a program where they would contribute X number of dollars toward the campaign of each individual candidate. I think this is being done at the federal level and perhaps in some other jurisdictions.

We took the view, Mr. Speaker, that we would firstly go along with the tax credit system because it would encourage individuals to contribute to election campaigns by giving them a tax credit. The Member for Inkster says, if someone gave a cheque for \$100 to the Jehovah Witnesses, they wouldn't get a tax credit. I suspect that the Jehovah Witnesses are registered as a charitable organization. You probably would get a deduction from your income tax for that contribution. The same way that the thrust of this tax credit system is, Mr. Speaker, to encourage individuals to make donations to political parties of their own choice and I think that's an excellent idea. The idea, Mr. Speaker, is to get away from excessive reliance by the New Democratic Party on trade unions or for all parties to get away from reliance on large corporation donations. I believe this was a tremendous improvement in the financing of political parties in Manitoba, Mr. Speaker. There's a restriction on the amount of the tax credit that you can get as the amount goes up it's less and less and there's only a tax credit up to a certain number of dollars and those are, I believe, contained in The Income Tax Act.

So, Mr. Speaker, I think, that was a good improvement. In dealing with this Act, there were amendments that were agreed to at Committee in attempting to make it as reasonably easy as possible for a party to be registered. We made some significant amendments, so not to discourage the formation of new political parties as they might arise. We amended, as I recollect, a section that was originally proposed that would have required a certain number of signatures; would have required memberships in the party to be produced. Well, that was a section that is in some existing legislation in some other provinces. I believe, it's in Ontario. It was taken from virtually every province's some form of legislation along this line. It was in another provincial statute, Mr. Speaker, with respect to memberships. We agreed to amend that to allow for a petition by not fewer than 2,500 persons who were eligible voters. That is not a very difficult requirement for any political party to get around if it has any future at all, except maybe the Progressive Party, Mr. Speaker.

The conditions for registration are simple, Mr. Speaker. There such as not to discourage the

formation of any new political party. The tax credit system for political donations is good because I think it encourages a much greater number of individual contributions. I think in introducing the Bill last year I tried to refer to the experience and statements made by a number of political parties on the successes that they've had in raising funds through canvasses of individuals because the tax credit system was allowed. I think the experience, probably by all parties, is that a much greater number of individuals have been encouraged to make donations to political parties. There is a requirement for disclosure over and above a certain amount which is not — I believe the sum is some \$250. a year, which is a fairly significant amount, Mr. Speaker. It is, I think, fairly reasonable.

So, Mr. Speaker, the basic difficulty I have with the Member for Inkster's Bill is that to delete Section 43 of the Election Finances' Act and leaving in Section 44, which imposes the limitation in advertising cost, it does not seem to me to make sense whatsoever, Mr. Speaker, because it leaves Section 44 as virtually an unenforceable section, Mr. Speaker, because it would just be too easy for anyone to get around that limitation, which we agree is a reasonable one, and in fact, Mr. Speaker, if the Member for Inkster, if he's to receive any criticism he only proposes in this Bill to deal with Section 43 and he leaves in Section 44. I think that's entirely contradictory, Mr. Speaker. I can't imagine what he was thinking about when he proposed this Bill to delete Section 43 and leave in Section 44 (l) because it would leave 44 completely unenforceable, Mr. Speaker. So, I didn't frankly come here prepared, today to speak to this Bill, but having heard the Member for Inkster I wanted to indicate my view of this Bill. I, Mr. Speaker, can not support Bill 53 from the Member for Inkster.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Winnipeg Centre.

MR. BOYCE: I move, seconded by the Member for Burrows, that debate be adjourned.

MOTION presented and carried.

ADJOURNED DEBATES ON SECOND READING

PRIVATE BILLS

BILL NO. 16 — AN ACT RESPECTING MONTREAL TRUST COMPANY AND MONTREAL TRUST COMPANY OF CANADA

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Thank you, Mr. Speaker. We have examined this Bill. We are prepared to have the Bill go to Private Bills. If we have any questions, we will raise them at that time.

MR. SPEAKER: The Honourable Member for Burrows. Are you ready for the question? The Honourable Member for Winnipeg Centre.

MR. BOYCE: Division in the ranks. We have no objections to this Bill going to Committee, Mr. Speaker.

QUESTION put, MOTION carried.

BILL NO. 33 — AN ACT TO AMEND AN ACT TO AMEND AND CONSOLIDATE AN ACT TO INCORPORATE MANITOBA POOL ELEVATORS

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Thank you, Mr. Speaker. I adjourn this matter on behalf of the Honourable Member for St. George.

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

MR. BILLIE URUSKI: Thank you, Mr. Speaker. In reviewing this piece of legislation, Mr. Speaker, it appears that the amendments that are being proposed here are, of course, to take out many, one could consider, archaic and very tenuous amendments and sections that were in the original Bill that annually or whenever needed were amended to update the powers of the Manitoba Pool Elevators. Being that the amendments here are following the provisions of the new Co-operatives Act. We see no difficulty in sending this Bill to Committee and having it dealt with there, Mr. Speaker.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. MERCIER: I wonder if there's disposition to call it 5:30. I would move, Mr. Speaker, that the House do now adjourn and resume in Committee of Supply at 8 o'clock, seconded by the Honourable Minister of Consumer Affairs.

MOTION presented and carried and the House accordingly adjourned and stands adjourned until 10 o'clock tomorrow (Friday).