

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Wednesday, May 7, 1975

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 90 students of Grade 11 standing of the St. Mary's Academy. These students are under the direction of Mrs. Martens and Miss Schultz. This school is located in the constituency of the Honourable Member for Fort Rouge.

We also have 20 students, Grade 11 standing, of the Lord Selkirk School. These students are under the direction of Mr. Dyck. This school is located in the constituency of the Honourable Member for Selkirk, the Honourable Attorney-General.

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

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills; Questions. The Honourable Member for Virden.

ORAL QUESTIONS

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I address this question to the Minister of Tourism, Recreation and Cultural Affairs. In view of the Manitoba Government's Breeder Incentive Grant Program for thoroughbred racing being increased by \$10,500 to \$43,000, can the Minister inform the standardbred owners and breeders that they can expect an increase in their grants this year?

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs)(Springfield): Mr. Speaker, I would like to thank the honourable member for giving me advance notice of the question a few minutes ago. Unfortunately, because of my involvement in Cabinet this morning, it's been impossible for me to get the required information to the honourable member now. I'll take the question as notice, but I can inform the honourable member that there has been an increase and the budget does reflect an increase in regard to grants being made available to thoroughbred and standardbred. Even though the exact amount within the estimates, Mr. Speaker, does not reflect that great of an interest, there is an amount which is placed in a trust fund with the Horse Racing Commission that does allow financial flexibility, but that will be part of the answer that I can supply to members of the House during my estimates.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Thank you, Mr. Speaker, my question is to the Honourable Minister heading the government team negotiating with the Manitoba Government Employees Association. In view of the assurances last week that those initial offers made to the MGEA by the government were indeed initial and only consisted of four offers, can the Minister advise the House whether additional offers have been made by the government to the MGEA in the interim?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs)(Seven Oaks): Mr. Speaker, I am given to understand that three further components were dealt with, I believe the eighth one as well, on Monday of this week, Monday or Tuesday of this week. I would like to correct the Member for Fort Garry when he suggests that the members of Cabinet or the Committee of Cabinet are dealing directly with the negotiators of the MGEA. The negotiators are government representatives, as are the MGEA people, who have their representatives. We do not deal directly with the MGEA. Our purpose is to liaison with the government representatives and to give reports. Negotiations are still going on, discussions are going on, and when the negotiating group feels that they need contact with members of the Cabinet Committee, they advise me and we meet with them to discuss whatever problems they may have.

MR. SHERMAN: A supplementary, Mr. Speaker, and I thank the Minister for his information. Is there a comparison of job classifications going on, job classifications as related to the contracts enjoyed by municipal employees and employees of the Provincial Government, to determine that in each case there are comparable classifications being compared?

MR. MILLER: Well, Mr. Speaker, this is, of course, an age-old method of doing it. Comparability is one of the yardsticks that is always used in any employer/employee negotiations.

ORAL QUESTIONS

MR. SHERMAN: A further supplementary, Mr. Speaker. It arises out of the Minister's suggestion earlier in the week that the present situation was one of - at least the one I alluded to - was one of comparing apples with oranges, and what I'm asking is whether the proper classifications have now been identified for comparison, one with the other.

MR. MILLER: Mr. Speaker, I can't tell the honourable member whether in fact that particular classification he has in mind has been compared with some other classifications. I do know, however, that the negotiating committee, as they have over the years, any negotiator worth his salt does take comparability into account, comparability in the sense of generally throughout Manitoba because we're dealing with Manitoba provincial employees across the province, not just the one locality.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Minister in charge of the Manitoba Housing and Renewal Corporation, and would ask the Minister, with regard to the low-rental housing being built by the Corporation, if the government-owned MDC company Misawa Homes has completed all its contractual arrangements with MHRC.

MR. MILLER: Mr. Speaker, I gather that they have not yet completed all their contractual obligations.

MR. BANMAN: I would like to ask the Minister a supplementary, Mr. Speaker. I wonder if the Minister could inform the House as to whether there are any new contracts being given to Misawa Homes for future construction of low rental houses.

MR. MILLER: Mr. Speaker, I am taking a guess now, but I haven't noticed in the last couple of months any contracts being given to Misawa Homes.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Health and Social Development. Further to the Minister's statement last week on hospital ward closings, can the Minister confirm whether an additional ward of the Health Sciences Centre has been closed, namely the E3 surgical ward?

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): No, Mr. Speaker, I can't. I'll try to find out for my friend.

MR. AXWORTHY: A supplementary, Mr. Speaker. Can the Minister indicate whether the hospitals that renegotiated the nurses' contract have had any reduction in nursing staff since the contract settlement?

MR. DESJARDINS: No, they haven't as far as I'm informed.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question is to the Honourable Minister of Tourism, Recreation and Cultural Affairs, and I'd like to ask him whether he has had an opportunity yet to hold his anticipated meeting with minor hockey officials in Manitoba on the subject of the seminar on hockey violence that was recently held.

MR. SPEAKER: The Honourable Minister.

MR. TOUPIN: Mr. Speaker, I'm happy to inform the honourable member that I had such a meeting yesterday with members of my staff again, and with the President of the Manitoba Amateur Hockey Association, the President of the Greater Winnipeg Minor Hockey Association, the former professional hockey player, Gord Pannell(?) and Gordon Kerr, referee-in-chief, and the three other interested individuals in my office for approximately one hour yesterday. It seems to flow from the meeting that we had to take certain action pertaining to foul language and violence in hockey, being a very active sport. The main problem, as indicated to me yesterday, Mr. Speaker, stems from the problem of a lack of good coaches that we have in different levels of hockey in the Province of Manitoba . . .

MR. SPEAKER: Order please. I'm sure the Honourable Minister has answered the question. If he wishes to make a statement, there's an order under the Paper for that.

The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I'd like to direct a question to the Attorney-General, and ask him if the government will bring in any legislation or rulings governing the opening and direction of massage parlors in the province.

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, this is a matter

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(MR. PAWLEY cont'd) which I think principally falls within municipal jurisdiction, and I gather at the moment the City of Winnipeg is wrestling with the preparation of by-laws to deal with the present situation they are faced with.

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

MR. TOUPIN: Mr. Speaker, I would like to answer a question posed of me by the Honourable Member for Roblin, who unfortunately is not in his seat but he will read it in Hansard. He was asking me where he and other Manitobans could purchase tickets for the Olympics in 1976. I'm informed that the T. Eaton Company has the exclusive franchise for Olympic tickets.

REQUEST FOR LEAVE

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I wonder if I may, by way of a point of order, ask for leave from honourable gentlemen in order to help expedite the consideration of the legislation I'll be bringing forward very soon with respect to oil royalties and changes in the oil royalties, to have leave to distribute this afternoon, or tomorrow afternoon, as soon as it's physically possible, the actual schedules of proposed changes in the oil royalties, so that honourable members may have them at least some time in advance of consideration of the bill.

MR. SPEAKER: Is it agreed? (Agreed) Thank you. The Honourable Member for Thompson.

ORAL QUESTIONS Cont'd

MR. KEN DILLEN (Thompson): I'd like to direct a question to the Attorney-General, Mr. Speaker, with reference to the Ombudsman's Report tabled recently and about which the Leader of the Opposition indicated some curiosity. Is it correct that the Ombudsman has reported that from 1961 to 1964 a civil servant working with some 80 people at Grand Rapids was guilty of, and I quote: "Crime. Loss of records or none kept. Sloppy administration. Misappropriating moneys received, apparently pocketing this money." I'm asking if that is correct and that the government of today refuse to prosecute that civil servant.

MR. SPEAKER: Order please. Is the honourable member asking a question? The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): To the First Minister. I wonder, is there . . . asked a question.

MR. SPEAKER: Order please.

MR. ENNS: And simply, well there was no response.

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, I would have to take that question as notice and ascertain from the records of the department as to the answer.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: My question is to the First Minister: Has he any particular reason to doubt the validity of the Ombudsman's Report?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: No, Mr. Speaker. The Ombudsman's Report is a report which I take some comfort from and some degree of discomfort, as I suppose all of us can from time to time.

ORDERS OF THE DAY - ORDERS FOR RETURN

MR. SPEAKER: Orders of the Day. Orders for Return. The Honourable Member for Gladstone. The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Mr. Speaker, on behalf of the Honourable Member for Gladstone, I would like to move, seconded by the Honourable Member for St. James, that an Order of the House do issue for a Return showing:

(1) The costs incurred for advertising and promoting the MACC land lease program from the date of the plan's inception until April 30th, 1975, by television, by radio, by daily newspapers, and by weekly newspapers.

(2) Total costs of travelling expenses of those individuals promoting the MACC land lease program from the date of the plan's inception until April 30th, 1975.

ORDER FOR RETURN

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I have one particular problem with respect to that Order, and that is that there is reference made to promotion; and while I have no problem in providing the information on the amount of moneys expended on an informational campaign, I don't believe it would be in order to interpret that as being promotional activities. So in that context, Mr. Speaker, I think I can comply with that order.

MOTION presented and carried.

GOVERNMENT BILLS

MR. SPEAKER: Shall we proceed with adjourned debates. The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, would you call Bill 34.

MR. SPEAKER: The proposed motion of the Honourable Minister of Consumer Affairs. The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Stand, please.

MR. SPEAKER: The Honourable Minister of Agriculture.

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

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

COMMITTEE OF SUPPLY - INDUSTRY AND COMMERCE

MR. CHAIRMAN: I refer honourable members to Page 31 of their Estimate Book, Resolution 67(f)(1). The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, before I get too involved, could I have it verified as to whether or not we're talking about rail transportation and other transportation in the province?

MR. CHAIRMAN: The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): That is correct. This particular branch, the Transportation and Distribution Branch, deals with economic research and policy advice in all forms of transportation, including rail, road, port, port facilities and air transport, all forms of transportation.

MR. BILTON: Thank you, Mr. Minister. I believe the Minister would anticipate what I intend to talk about, Mr. Chairman. He said in a sort of a jocular way last evening that this party should take him by the hand and come out of 100 years of backwardness. I'm going to take him on a little journey of 50 years of backwardness that has developed in the last five years, during the time of this jurisdiction, and I've waited a long time to bring this to the attention of the government, Mr. Chairman.

My people are quite concerned. Year after year for the last four or five years I have brought to the attention of the government the possible abandoning of that line from Dauphin through Swan River and now to Hudson Bay Junction, some 180-odd miles, in favour of a line from Dauphin through Kenora and on to Hudson Bay through Saskatchewan. Now I have no objection, Mr. Chairman, as to the rail going through the Kenora route, but nevertheless 60 years of railroading throughout the area I'm concerned about is something that the department, in my humble opinion, should have been working on a long time ago. I think it's pretty obvious, Mr. Chairman, that that 180 miles that I'm speaking of goes through a very fertile area, very business-like area, and as and when this happens some 40 or 50 grain elevators will be eliminated, and the cost to the farmer in taking his grain to the delivery points, many of which will be anywhere from 50 to 100 miles, is just absolutely ridiculous. And I want some answers from the Minister today because I have brought it to the attention of his department on several occasions.

Mr. Minister, the crunch is on. Regardless of what the C. N. R. are telling you from time to time, it's a public disgrace insofar as that line is concerned. Over the months and the years I have attended meetings where the C. N. R. have proposed the elimination of stations and the elimination of station agents, and they call upon us to use what they call the Serve Centre in Dauphin.

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(MR. BILTON cont'd)

Now something that immediately comes to mind would suggest to the Minister, I hope, that we are being treated as second-class citizens. A few weeks ago I decided to book a berth on the train from Churchill into Winnipeg, the train leaving Swan River at 11:25 in the evening. I couldn't get in touch with anyone in Swan River and they referred me to the Serve Centre in Dauphin. I told him I was interested in having a berth, and he says, "Well, this is an unusual request. Just a moment. You've got the wrong office." So finally I got the right office, Mr. Minister, and I said, "What's the difference in price between a lower and an upper?" And he had the audacity to ask me what did I want to know for. He wasn't sure. The request would have to go to Winnipeg.

The request went to Winnipeg, Mr. Minister, and the train in Churchill was contacted to find out whether or not they had a spare berth. They had a berth, and at 10 minutes past 11 on Sunday evening I called and I said, "Is the train due in on time at 11:25?" "No, it's three hours late." I called again at quarter to 2:00 in the morning. I felt my responsibilities were to be in this House at 2:30 in the afternoon. He said no, it will be four hours late. I said, "To hell with it," and I got on the bus at 15 minutes after 2:00 and drove all night to get here to be on time.

Mr. Minister, this is the sort of service we're getting. How is a man, living on a farm removed from Dauphin, a man that doesn't understand what's going on, to get the service that he requires? And so it goes on.

You know, Mr. Minister, they've closed down the station in Bowsman, Pine River, Ethelbert, and so on all up and down that line. And do you know what they told us at the public meeting where there were 150 people, Mr. Minister, in Bowsman? They said that the engineers would be alerted. Four o'clock in the morning, 40 below, standing on the station in Bowsman with a lamp in your hand to stop the train to get on! That's the sort of thing that's going on, and you talk about us being 100 years behind the times. Sir, this has all happened in your time, and what have you done about it? Nothing at all. You've sat idly by, sat idly by and done nothing about it.

It's the same with our mail, Mr. Speaker. We never know when the mail's coming in. A fan belt broken between here and Portage la Prairie can delay the mail for two days. Mr. Minister, if that truck doesn't arrive from Winnipeg at a given time every day in Dauphin, the truck in Dauphin takes off empty to Swan River and we get no mail that day. Where have you been? Where have your experts been to allow this sort of thing to go on in rural Manitoba? Here you have a train going three times a week, full service from one end to the other, express cars, two express cars or one, whatever you like - empty. The C.N.R. could care less about the people throughout middle and northern Manitoba.

The Honourable Member for Churchill, I'm sure, will support me when I tell him, or tell you, Mr. Minister, that freight train break-ups on that run to Churchill is something that's a public disgrace. The feeding of the grain to that northern elevator is delayed time after time with derailments that should never happen. And I hope the Honourable Member for Churchill will get up and support me in what I am trying to tell you, Mr. Minister, that you're neglecting that country. Do what you like down in Cuba about the hotel down there, but I'm telling you we need help up there. We need service.

And at this time, Mr. Minister, I want to pay tribute to the people that are running the buses throughout rural Manitoba. The Grey Goose Company, the people throughout rural Manitoba are eternally grateful to them, to the service they give on time, and they don't get any grants from this government. There's no free rides on those buses. When the rates go up the people pay, but here in the City of Winnipeg you can ride around for free and we in rural Manitoba are paying for that, don't you ever let me forget it.

Mr. Minister, you will recall that you had representatives in Yorkton to the C. N. meeting - it was obviously a C. N. meeting. It went under another name but I think the C. N., because they dominated everything. And they were talking about eliminating stations and they were talking about eliminating agents. And you know as well as I do, Mr. Minister, they'll do what they like in spite of the fact of the petitions that were put in there time and time and time again. I want to warn you again, Mr. Minister, with all the emphasis I possibly can, that that 180-mile route which is so important to the area that I come from in the Province of Manitoba, not Saskatchewan, is doomed unless you get behind the people and do something about it.

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(MR. BILTON cont'd) They've neglected that line to such an extent that the passenger train and freight trains, the engineers are told 15 to 20 miles and that's the way we travel up in that country in this day and age. We could do better with dog teams. I know it, because I've driven them.

Mr. Chairman, the C. N. R. in their own way have taken over the truck monopoly from the City of Winnipeg to Swan River, The Pas, and points north. They bought out the private concern and today they have a complete monopoly, and I'm just wondering, with the rates that are being charged for freight and express, as to whether or not the Minister is having this monitored in the interest of the people. If he's not having it done, I suggest to him that he does have it done. I also suggest to him that somehow or other he find out the amount of bulk freight that is being handled by that line. And I feel convinced and I feel assured that the business that they're handling in bulk freight pays for itself over and over and over again. I think it's fair to say that that north-south route will match up, and match up well, with any other north-south route in the Dominion of Canada. And I'm asking the Minister, in all sincerity, I want to alert him to watch this and see to it that that line is not abandoned because some joker in Montreal, sitting behind a desk, that doesn't know what's his board or what have you, is dictating and putting it down there that that line should be abandoned in favour of the Kenora route.

Mr. Minister, both those lines have survived and I don't want to see that Manitoba main route by rail abandoned without an effort and without a fight on behalf of this department.

There's just one other little thing that I would like to speak about, and I know the Minister is interested in northern aviation. He's seen to it that grants have been made for the setting up of air strips, and he knows very well that we have an amateur airport in town in that he has made grants from time to time, and that I appreciate very much, but there has been some discussion of the reviewing of this plan from Winnipeg to Dauphin to Yorkton, Prince Albert, and back to Regina, and into Winnipeg. Where were you, Mr. Minister? What happened to Swan River - the most logical thing to do? The plane takes off and 100 miles from here it comes down in Dauphin, or 200 miles from here. Three hundred miles north, another 110 miles, is Swan River, 140 miles over to Yorkton, then over to Prince Albert. Mr. Minister, we have people being transported by ambulance to Winnipeg and it's six and seven hours by road. I was an advocate on the Northern Task Force for the air ambulance for northern people, and I believe it's doing a good service. But we're sitting there, Mr. Minister, six and seven hours by ambulance to bring our people into Winnipeg, and I'm suggesting to you that there is an opportunity to do something about it and rectify this situation, not only in that, but many other ways. The obvious thing, I would suggest, is a 300 mile flight to Swan River and back for the use of the local people will help to pay it. And if there's any problem as far as passengers are concerned, get in touch with the post office and give us a mail service in there that we can live up to and do something about. Businessmen there have . . .

A MEMBER: Pony Express.

MR. BILTON: Pony Express. With this socialist government, we're coming to it, don't worry. We'll be coming back to the oxcarts because if you do much more for the City of Winnipeg you may as well build a wall around it and we'll come in with our hats in our hands. We're getting a little sick and sore and tired of it. Don't let the rural people down. They're getting sick, sore and tired of this nonsense. Well, Mr. Minister, . . .

A MEMBER: What's wrong with Winnipeg?

MR. BILTON: What's wrong with Winnipeg? Without us you'd starve to death in here. Without us you'd starve to death. So, Mr. Minister, with those few words I would ask you in all sincerity to accept my remarks with the intent that they were intended and do something about it. And for heaven's sake, get on this rail abandonment before it's too late.

MR. CHAIRMAN: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Chairman, I can appreciate the Honourable Member from Swan River's great concern about the level of rail service into his area, which is indeed a very important area in Manitoba, a very rich agricultural zone or section of Manitoba, and a very beautiful area, one which I have had occasion to visit on a few occasions . . .

MR. BILTON: The Garden of Eden.

MR. EVANS: The Garden of Eden?

MR. BILTON: You bet.

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MR. EVANS: It's a beautiful area and it's deserving of all the attention that we can give it with respect to ensuring that rural service continues at an adequate level, or is improved indeed over what it has been.

I want to suggest, however, Mr. Speaker, that by the Constitution of Canada the operation and regulation of railways is a federal jurisdiction, and I am sure the honourable member realizes it but for a moment I was just a little afraid, the way he was complaining about the service, the lousy passenger service of the C. N. R. as though we could do something about it such as firing the President of the C. N. R. or what have you.

MR. BILTON: Fight for us.

MR. EVANS: The honourable member says, "Fight for us." I can assure you, Mr. Chairman, that we have fought on this issue of rail transportation to the extent that we've roused the ire of the Chairman of the Canadian Pacific Railway. He's now making some very nasty statements about so-called politicians who are always criticizing the railways. And, well, this was regarding the Crow's Nest Pass rates, which I'm very much concerned with, as I'm sure my friends opposite are. But this is part and parcel of it.

The fact is that the railways are federally controlled, federally regulated. One is owned by the government, the other is regulated by the government through the Canadian Transport Commission. We have on numerous occasions laid complaints about specific problems as they've been drawn to our attention, firing off telegrams to the Minister, writing to the Minister, communicating at the staff level, and indeed meeting face to face with the federal Minister of Transportation. I would say categorically that myself, along with my colleagues, ministers responsible for transportation policy in Saskatchewan, Alberta, British Columbia, that I have probably attended more meetings with these colleagues, and also individually, with the Minister of Transport in Ottawa, the federal Minister of Transport, than with any other single federal Cabinet Minister. If we met with any Ministers on a very consistent basis to express our concern about the inadequacy of railway service to Western Canada, it certainly has been that particular Minister, the Honourable Jean Marchand. And I would give him, incidentally, I would give him full marks for being concerned about our problems, and he indeed has shown great concern, and we are hopeful that there will be some change in a very major fundamental way that will help us. But in the meantime, we've got problems. We've got problems with regard to branch line abandonment, and I can assure the honourable member that we are very very much aware of the general problem and our position is, as I think I stated in the House earlier this year, this session, is in total opposition to branch line abandonment.

Having said that, I must go back a moment to note that I was pleased to hear the honourable member's comments with regard to the bus service. I was glad to hear that it is in shape because if it wasn't in shape we would be in trouble. But I want to remind the honourable member that the passenger service offered by the bus lines, the bus service, is under provincial jurisdiction, and if he did have a major complaint, possibly we could do something very effective about it because we have control over bus service in Manitoba through the Motor Transport Traffic Board. --(Interjection)-- Yes.

MR. BILTON: Just one remark. This is not a branch line, Mr. Minister. This is the main line from Winnipeg to Churchill - 600 miles. It's not a branch line.

MR. CHAIRMAN: Order please. Is that a question or was it a statement? Now the honourable member should . . . Order please.

A MEMBER: An interruption.

MR. CHAIRMAN: An interruption which is contrary to the rules of the House and is a breach of the order of the House. Order. The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Chairman, the point I was making is not whether or not I consider the line through Swan River to be a branch line or a main line. My point was that in the case of bus service in Manitoba, this is under provincial jurisdiction, and if he did have a serious complaint about the level of service, the quality of service, then we are in a position to be much more effective. With regard to railway operations, all we can do is make known to the federal authorities our concern.

With regard to the specific line that goes through Swan River, the Federal Government has designated it as a line that fits into the so-called B category. I don't know whether the members are aware of the A, B and C categories, the three categories which the Honourable

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(MR. EVANS cont'd) Otto Lang has made reference to - and incidentally we're a bit confused because we don't know really who is the Minister responsible on this matter of railway branch line abandonment. Is it Mr. Lang, is it Otto Lang, or is it Mr. Marchand? Frankly, I'd rather deal with the Honourable Jean Marchand because I think he's more responsive to the needs of Western Canada than Mr. Lang is, strange as that may seem, but I think that is the case. But at any rate, according to Mr. Lang, he put forward a program whereby the prairie rail network would be divided into three distinct categories, and Category A is the basic rail network of 12,413 miles. Now, 3,148 miles of these are in Manitoba, and these lines will be protected until the year 2000. In other words, there's no question that those in the A Category for the next quarter of a century, you know, remain untouched and left as they are. This involves all the main lines - yes, the main lines, although I believe there are some north and south. Some of them go north and south. At any rate it's the main lines and certain other secondary lines. So there's 3,148 miles protected.

The next category is the B Category, and there are 1,341 miles of these in Manitoba and these are frozen for at least a further year - that is this year - and it is this area which will be of concern to the recently appointed Hall Commission of Inquiry. Mr. Hall has been appointed as the Chairman of the federal Commission of Inquiry, and this is really the area that he will be involved with, he and his commission - Category B. And it is in this category in which the line from Dauphin through Swan River and up through to Hudson's Bay Junction is included. In other words, it's included in the area, this gray area, this B category, of being considered for abandonment. It is being considered.

Then there's Category C. Those are lines which are no longer in use. There are 215 miles of Category C in Manitoba, and I don't think there's going to be much argument by anybody, either at the provincial level or at the municipal level, the local level, with regard to those lines. They haven't been used for many years, and so on. But it's this B Category, which is of direct interest to the Member for Swan River, that the fight will be over, and we have informed all the municipalities or we are in the process of informing all of the municipalities along all of the lines affected . . . I have a book here which indicated --(Interjection)-- You've got them? Good. And we have notified all the communities that we are prepared to assist them --(Interjection)-- I beg your pardon? Okay. Well you can talk about it in a minute. The fact is that we've sent letters to all municipalities involved and advised them that we're prepared to assist them with their own particular brief. We will have a provincial position which will, in general, say that we are against any of the B categories being phased out at this time. That is our position.

Now, with regard to the service centre which the honourable member was referring to, the centralization of services, there was a hearing held at Yorkton, Saskatchewan. We fought for the maintenance of adequate level of service to all communities and we insisted that the railway provide proper service and that servo-centres - I think they're called - were not acceptable as an alternative. The Province of Saskatchewan assisted us in this particular position at this particular hearing, but again, you know, it is a federal matter and we might protest till we're blue in the face, but in the last analysis it is a federal responsibility and we have no provincial jurisdiction which can override that. We're quite aware of the fact that branch line abandonment shifts the burden of costs from the shoulders of the farmer, from the shoulders of the municipal government, on to the shoulders of the provincial taxpayer. I'm sorry. It takes it off the shoulders of the railways and the Federal Government, and shifts it on to the shoulders of the farmer, the municipal people and the provincial taxpayers. This is the case. Now, I repeat that this is a federal responsibility. We are going to do our very best to persuade those in authority on this matter.

I would like to conclude these few remarks in response by urging members of the House who are concerned with this matter that they go one step further: besides, you know, making their views known in this House - which is fair enough - that they should also work with their federal Member of Parliament, because the federal Member of Parliament is in the federal House, which has the jurisdiction, sits on the railway committee or maybe sitting on the railway committee or could certainly attend the railway committee, and can make his or her position known with that respect. And I would hope that the municipalities and our own provincial representatives would do that, because we get many letters, many phone calls on the question of a possible branch line abandonment as though it were our decision to make, and

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(MR. EVANS cont'd) unfortunately this is not our decision; it is a federal decision. And I say, therefore, we should do all in our power to work through the federal Members of Parliament.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: Mr. Chairman, I just want to thank the Minister for his explanation, but I must insist, on behalf of my people, that he use everything at his disposal to insist that that line not be lost.

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MR. CHAIRMAN: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Well, Mr. Chairman, I hate to take issue with the remarks of my colleague the Member for Swan River, who is isolating this problem to the great Swan River Valley, what did he call it? The Garden of Eden. I'm very unhappy about the sentiments of the Honourable Minister because this problem is not only in Swan River, it's a national problem and it's all across Western Canada. Mr. Chairman, it goes back to the sentiments that were expressed the other day in the House by the Honourable Member for Morris, who got uptight about if in fact there is a time and a place for us to debate the fact that the West may have to, through reasons that are expressed by many people in the west, maybe have to take a look at the fact that we're not going to be able to live with this Federal Government much longer. And one of the reasons that gets me uptight is transportation.

I'm surprised that the Honourable Minister of Industry and Commerce is isolating this problem, like the Member for Swan River, only to Manitoba. It's not only Manitoba. It's Saskatchewan, Alberta and British Columbia. It's Western Canada. And it not only deals with rail lines, it deals with aircraft and everything. And as the Honourable Minister well knows, how can you justify flying a jet from Montreal to Toronto and make that pay?

Now, I'd like the Minister to give me some answers for the people of the West: How can you stand up in this House and justify the Federal Government flying jets from Montreal into Toronto, dozens of them every day, and they're all losing money? And yet there's no way we can justify an air service in Western Canada. --(Interjection)--Well, you thought that you could isolate it only to Manitoba. I see it's a Western Canada problem. It's beyond the jurisdiction of your office, and I'm surprised that you didn't stand up here today in this House and say you stood shoulder to shoulder with the Minister of Industry and Commerce of Saskatchewan, Alberta, and British Columbia on this problem. Because unless we deal with it on that basis, it's not going to be solved.

The reasons are manifold. There are political reasons, which the Honourable Minister knows, and there's economic reasons, which the Minister knows. There's tariff reasons which the Minister knows, and this has been a historic problem since Confederation in this country. And all of a sudden, Mr. Chairman, and members of the committee, it's become a cruncher today because we're losing our rail lines. The Honourable Member for Swan River, he's lucky. They're only talking about abandoning the CNR. I've been involved in rail abandonment for 25 years on the CPR lines, who for some unknown reason decided they were going to abandon their lines 25 years, and the whole system has been abandoned on many of these CPR lines for many years.

So, Mr. Chairman, I think we have to deal on this matter, on the basis of the sentiments of the Member from Morris today, where it's the Western Canada people have got to stand up and fight for our rights and get equal rights with the people of Eastern Canada if we're going to have some semblance of order in a transportation system by rail, by air, by bus, by truck. The whole transportation thing has got to be resolved on those bases. Because how can we fight the eastern bloc today, Mr. Minister? You can't do it by yourself. No way. Nor can we, the members of this Legislature, do it by ourselves. We've got to do it in conjunction and with the help of Saskatchewan, Alberta and British Columbia, otherwise the ball game is over. And it's that serious. It's so serious that it's the sentiments of the Member for Swan River that it's a crude, archaic system that we've got out in our country, where in my little village, you know, we used to have mail service on a daily basis. My gosh, if there's a rain cloud comes over or there's any storm warnings out, we don't get mail for a whole week. Now, is that fair, under the rights of Confederation which is spelled out in our Constitution, that we in rural parts of Manitoba just because the truck driver doesn't like the clouds or he doesn't like the snow, he's not going to bring the mail that day so we don't have mail that week? Or the fact that the trains are not going to run. How many lines in this province where the trains. . . They look at the weather, they look at the track, and they say, "Well, we're not going to run. It's not safe." And now these lines, these rural lines, are so badly eroded today that I wouldn't be an engineer on a train to run up some of those lines, because we're letting the railroads abandon those lines by default. By default.

I don't criticize the Minister of Industry and Commerce because he can't do it by himself, I know that, nor can he do with the help of the First Minister. It's got to be done by all four western provinces. And if we're going to have equal rights in this country, Canada, which we

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(MR. MCKENZIE cont'd) all believe in, Confederation - we all agreed on that Constitution - we've got to get some fair share from the big bloc in Quebec and from the big bloc in Ontario. How are we going to do it? I don't know, and that's what raised the ire of the Honourable Member for Morris the other day, because it is a serious problem. --(Interjection)-- Well, certainly, Lougheed is at least doing something about it and he's trying to wade into those guys down there and let them know we finally do have a lever and we can maybe get some semblance of order. And I congratulate the First Minister of Alberta, because this just shows you how far the Federal Government in this country will go today.

The natural resources of this country belong to the provinces. That was in Confederation. It's spelled out loud and clear. That's no longer the case, because the Feds have changed the rules, and they're going to take over the resources of this province. Is that fair, Mr. Minister? So I say today, you know, rather than get into the little nitty of rail abandonment, a little thing, it's a big issue. It's so big that I ask this Minister of Industry and Commerce to stand up shoulder to shoulder with the Minister of Industry and Commerce of Saskatchewan, to stand up with the Minister of Industry and Commerce of Alberta, and British Columbia, and let's fight that eastern bloc. Surely we deserve some rail service. Surely we deserve some air service from Winnipeg to Dauphin to Swan River, or into Yorkton, and on around into Brandon and so on. But we can't do it alone in this province. I've been involved in rail abandonment for many years and I know how difficult it is to fight those corporations. But I suspect if we go back and gain the sentiments and the philosophy of Peacock - What's wrong with the Peacock Plan? --(Interjection)-- Explain. See, the Minister . . . You were at the meeting. Peacock said, you know, let's build our own transportation system out in the west. Let's put the little small trains and feed into these main lines. The Minister is not talking about that. He was at the meeting. It was the Western Economic Conference at Calgary. I saw the Minister's face on television. He was there, and he says today he doesn't know who Peacock even is. --(Interjection)-- Well you're asking what's his plan? Well, Mr. Chairman - and of course that shows what isolation is with the Minister of Industry and Commerce. He's left himself isolated and thinking he's going to solve the problems of transportation in this . . . by only Manitoba. I say, Mr. Chairman, and members of the committee, it will not happen that way. It's got to happen as - in support of the sentiments of the Member from Morris the other day, the western bloc has got to attack this thing and come up with some . . . I'm sure we can agree on it all because we're all being destroyed. How are we going to face the future without a transportation system? So I do ask the Minister, have you sat down, or can you stand up today that you are . . . and the Minister of Industry and Commerce in Saskatchewan and Alberta, and British Columbia are prepared to stand up shoulder to shoulder, and if you want us that sit in the backbenches, to go down to Ottawa and negotiate on those terms for a better transportation system than we've got, then I'm with you all the way.

MR. CHAIRMAN: The Honourable Minister of Industry and Commerce.

MR. EVANS: Well, Mr. Chairman, I can't take the Honourable Member from Roblin serious. Not at all. I can't take him . . . you know nobody, surely anyone who has read the newspapers in the last couple of years, who's read about all of the meetings that we've had . . . You know, you're contradicting yourself. One one hand you say let's not go into isolation, and in the next breath you say you saw me on television with the Minister from Alberta at a Conference of Transportation Ministers. So you're contradicting yourself, and you know darn well that if you've read the papers at all, watched the television news and listened to the radio news, that the western ministers concerned with transportation - this includes the Honourable Roy Romanow, who's the Attorney-General of Saskatchewan, the Deputy Premier of Saskatchewan, who is concerned with transport policy in that province. The Honourable Fred Peacock who I'm sorry to note is no longer in the Alberta Cabinet. --(Interjection)-- I beg your pardon. Yes. Well, I know Mr. Peacock very well, a very fine gentleman, and he has become a very good friend of mine for the simple reason we've met so often and have had such a great amount of communication. --(Interjection)-- No. No. In fact I think Mr. Lougheed made a mistake, I really do. And then there's Honourable Bob Strachan who is the Minister of Transportation in British Columbia, And we've had countless meetings. This is a typical book briefing, transportation briefing notes for a conference. And I must have innumerable briefing books such as this for the innumerable meetings that we've had, four provinces, four ministers concerned

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(MR. EVANS cont'd) with transport policy and Mr. Marchand, and meetings among ourselves, and for every ministerial meeting, I'm sure there were at least three or four staff meetings, because there's an awful lot of work that has gone into it. And it's not just rail line abandonment, Mr. Chairman, that we have approached the Federal Government on. As a matter of fact, the committee, the Federal-Provincial Ministerial Committee on western transportation problems was set up at the Western Economic Opportunities Conference in Calgary in July of 1973. And in fact we had our very first meeting with Mr. Marchand at the close, or towards the close of the meeting of the Prime Minister and the Premiers, and everyone else that was at that conference in Calgary. And we've worked very steadily since that time and we've gone into varying matters. We, together, we stood shoulder to shoulder and demanded that we get railway cost disclosure. And we have finally now achieved that objective. We are --(Interjection)--Well, you say it's not the problem.--(Interjection)--Manning the ramparts. You say it's not a problem but you talk to my friend the former Minister of Industry in Alberta, Fred Peacock, and he'll tell you it's very vital to get that information. Without that - he'll tell you, if he were in this House he'd lecture you on that point. We have got this railway cost information.

Besides that, together with the other provinces and the Federal Government, we put in close to a million dollars for consulting studies of the various elements of rail transport in Canada. The major share was paid by the Federal Government. I think it was 75 percent, and the four western provinces shared the balance of 25 percent among them.

But we've looked into various proposals, including such items as a new railway pricing system.

And we've looked into the question, or are looking into the question of road bed. It has been suggested by the four western ministers to Mr. Marchand that we should consider a common road bed for railways in Canada. If the railways are worried about increasing costs why don't they look to these other avenues. Don't look to the Crow's Nest Pass rate. Don't say that these rates are not adequate to . . . I say this is not a way to solve your problem. Don't penalize the western Canadian farmer. Make provisions for a removal of inefficient unnecessary duplication and competition between the two railways. And one way to do it is to have a common road bed. So there is a road bed study under way. Before a common road bed - incidentally the argument for a common road bed is based on the fact it is not unusual for the Federal Government to own transportation infrastructure. The Federal Government in many cases owns the harbour facilities in Canada - not the shipping lines. The Federal Government owns and operates the air terminals, the major air terminals in Canada - not the airlines. And we say there is a comparable case here in railways, that the railway, the Federal Government through some agency could own and operate the railway road bed, and that the C.P. and C.N.R. could therefore be free to run their trains over this road bed that would be owned by a federal road bed agency, whatever it may be called. And this is a proposition that all four provinces are agreed on. And the Federal Government has agreed to study it. And it is being studied, you know, not just for the sake of studying it - we want to know whether the Federal Government is prepared to act.

But failing that, in the meantime, how about joint track usage as a means of reducing rail transport costs? I'm advised that all the major traffic from southern Saskatchewan that emanates on C.N.R. lines has to go up to Saskatoon in order to get over to Alberta, even though that traffic may be destined for southern Alberta. So it goes shooting up from Regina to Saskatoon, over to Edmonton, I suppose, and then down to Calgary. Well this is sort of ridiculous, and if you had a joint, a firm joint track usage agreement possibly there would be considerable savings in this respect.

There are many railway rate anomalies, and I talked about this on other occasions, both in the House and outside of the House. The problem of raw material pricing, raw material versus finished products. There are many cases where finished products go at a higher rate than raw materials. I think we use the example of beef on the hoof compared to finished or dressed beef. There's the long haul versus short haul anomaly. I won't go into . . . we can discuss these in detail but I won't take the time in the House, but there are these problem areas, long haul versus short haul anomalies. The problem of maximum rates.

There are other items that we put forward such as railway rate groupings. We took a firm position on railway price freeze, rather railway rate freeze, and the rates were held

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(MR. EVANS cont'd) frozen until December 31st. We've taken a united stand on branch lines. And incidentally, the prairie ministers met with the heads of the wheat pools, of the Alberta, Saskatchewan, Manitoba wheat pools, about two months ago along with our counterparts in agriculture, on the whole question of branch line abandonment and the united stand that we should take.

We've also agreed that there should be a fundamental change in the National Transportation Act. I think the entire philosophy of that Act is wrong, and we're all united in our view in this respect.

We were also concerned, Mr. Chairman - I'm answering the Honourable Member from Roblin - saying we should stand shoulder to shoulder in Western Canada and put a solid front before the Federal Government. We have done that, not only on branch lines I'm suggesting, but in these other areas, and beyond railways into the question of air policy and into the question of ports administration and port policy. So on a very broad area and a broad front, we have worked very hard, very closely, over the last nearly two years now.

MR. CHAIRMAN: The Honourable Member for Thompson.

MR. DILLEN: Mr. Chairman, I wanted to get into this section of the debate, and I've been waiting patiently for the portion of the estimates to come up on Transportation and Distribution. I listened with a great deal of interest to the contributions made both by the Member for Swan River and the Member for Roblin. Some few weeks ago, you know, we heard some contributions from that side of the House, I believe the Member for La Verendrye and a few others, on the whole question of upgrading the road system, increasing the weight limits on bridges so as to provide for greater weight limits to be carried by the truck transportation industry.

From the contributions that were made today I get the distinct impression that rail line abandonment is something that has just occurred within the last year or the last couple of years. --(Interjection)--Well, 25 years the Member for Roblin says, and that is a very accurate figure. What has happened as I see it in my - and I lived on a branch line in the constituency of the Member for Virten - and going back about 10 years ago I recall that there was an elevator As a result of the destruction of that elevator, and a couple of others that burned under mysterious circumstances, there was the justification then for the reduction of the service on that line.

About 10 years ago, or a little less, they first of all introduced a daily truck service that paralleled the branch line and a result of providing that service - which the population in the area thought was a great thing that they were finally going to get daily service and would not have to depend on the train which may have come in once or twice a week. Now when they introduced the truck service, they convinced the people of that area that it was no longer necessary to maintain the station and the agent, that they would just bring their goods in and drop them off and they could pick them up from the truck. So once they had abandoned all of the stations on that route, then they curtailed the number of maintenance people who were responsible for keeping the tracks up, they reduced the number of people and gave the few that were left, more trackage. And today there is no longer anyone employed on that branch line whatsoever. They've eliminated the stations - they're even torn down. They've eliminated the agents, any helpers that he may have had, and they've eliminated the maintenance crews that were responsible for the upkeep on the tracks. They did not replace the grain elevators, and in addition to that after the introduction of the daily truck service, have now slowly but surely reduced the frequency of the truck service as well. This has been the historical pattern of the railway's attitude towards, not only the Province of Manitoba but the history throughout Western Canada. But it has been a systematic effort on the part of both railways to reduce their efforts.

Now what is happening now is that - and I hear it coming from that side of the House - is that what we should do now is upgrade the existing road service so as to increase the allowable weight limits for vehicle traffic and thereby placing greater emphasis on truck transportation, and I think that by doing that we are playing right into the hands of the railway companies so that they can further reduce the services that they are responsible for providing to this country.

Now, I didn't get the necessary time to consider what are the alternatives. I think that at the present time if we are not seriously considering an increase in the service that is provided by the railways, an improvement in their scheduling, an improvement in their rail passenger service to all points in the province, a process of using the rails as the means of passenger

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(MR. DILLEN cont'd) transportation on a mass basis, then we are also going to be playing into the hands of the airlines and everybody else who is involved in passenger transportation at the present time.

Let me tell you what has happened in some centres in the United States where the rail lines have been completely abandoned and the truck transportation was going to fill the gap that was left by the railways, they have now eliminated or withdrew the service that the trucks were providing, and what they're doing with some of the passenger buses is removing - I think they're 45 passenger buses - so they're only leaving in, into the bus, about 20 seats and they're placing a bulkhead in the bus and filling the entire bus up where the seats have been removed with general freight to be picked up by the small communities that they are now serving. And if you view the bus depot as I have - I've been travelling north by bus in the last couple of years, the amount of freight, small items that are needed - oh, it's an overnight service - that is being handled by the buses today, it's incredible the amount of freight that they're handling. And if there is an expansion and an increase in the numbers of buses and the services that are provided and reducing the number of seats in the buses in some sectors of the run, run relatively empty, except that the bottom of the bus is crammed completely full of freight, you couldn't get another piece in. So that is one sector that I wanted to deal with.

But on the other hand I think that, at least in my view, the western Canadian provinces are being sucked in by the Federal Government into providing or accepting the massive amounts of money that the Federal Government is making available for the upgrading of the road system in the province to provide for 110,000 lbs. of weight, which will only lead to the further deterioration of the services that are presently provided by the railroad, as limited as they are now.

But I want to move from that form of transportation to air transportation as it applies to the north. It has been a historical fact that the people of the north have been penalized in their air transportation to the extent that the cost per air mile in passenger transportation to those areas that are presently served by Transair is almost double what is presently paid for the air passenger service provided between any point east and west of Winnipeg. The most recent figures that I have, and that's previous to the last couple of increases that have been granted, is that the cost per passenger air mile north and south was somewhere in the neighbourhood of 12 cents per air mile, while the cost for transportation where they are competing with a national publicly owned airline between Winnipeg and Toronto is just half that cost per passenger air mile, and roughly 6 cents. I'm not just clear on the exact percentage and penny costs. For example if the cost from one way Thompson to Winnipeg was \$50.00, then it would be just half the cost to travel to Toronto, or close to half.

Then in addition to that the Federal Government has then provided for an airport fee of some kind, which again increases the cost for those people who are travelling in and out of the north. You know, it rather surprises me that at the present time Transair is again making another application for a rate increase for the air passenger service to northern routes. I would hope that the Minister of Industry and Commerce would take strong exception and make representation on behalf of the province and the people of northern Manitoba who depend upon that airline, to make representation to the Transport Commission to disallow that kind of an increase.

The other thing - at the present time a strike is in progress with that airline. We had a display very recently by the Manitoba Government Employees Association of extreme militancy, and they want to act like a trade union, and at the same time the same civil servants who will display this type of militancy and the trend towards trade unionism, will pass and cross over a legitimate picket line that is being emplaced by the International Association of Machinists, and go onto the airline and fly throughout the province. If they're really serious about being trade unionists they would refuse to cross that picket line. And although I cannot make a recommendation but I would hope that members of the front bench on this side of the House would pass some instructions on to their employees that a legitimate strike is in place against Transair and that they would be instructed to respect that picket line. The Manitoba Government Employees Association should advise their membership that a legitimate strike is in place against Transair, and that they should request that their membership refuse to cross that picket line. It isn't as though there is no alternative to travel throughout Manitoba to the major points served. There is buses, there is the Manitoba Government Air Service, there is other forms of transportation that can be used including trains.

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(MR. DILLEN cont'd)

I want to close, and I would hope that the Minister would take some cognizance of the remarks that I have made and the Members of the Opposition, I would ask that some support be given to the position taken.

MR. CHAIRMAN: The Honourable Minister of Industry and Commerce.

MR. EVANS: Yes, well Mr. Chairman, very specifically and briefly on the matter of the application by Transair for a rate increase, we have requested the Canadian Transport Commission, the Air Transport Committee, to supply us with the data and the background indicating Transair's reasoning for this application for an air rate increase. So we are attempting to get the information so we'd be in a position to look into the matter.

Just as a matter of information - I meant to mention this before - the Honourable Member for Roblin - who's just stepped out of his seat for a moment - but at any rate I wanted to point out to the Member from Roblin that the line going through Dauphin through to Roblin is in the A category, meaning that it is protected for the next quarter of a century, so he has no worries with regard to the rail line through his area, through the heart of his area. I don't think there's - if there is any rail line abandonment in his area it's very very little indeed.

MR. CHAIRMAN: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Chairman, we've had some discussions on the subject of rail line abandonment, and no doubt there will be more to be said on that subject before the debate is completed on the Minister's estimates, but I would like to switch now to the subject of airline abandonment, and discuss the matters that have come up since the time a little more than a year ago when the air carrier, the regional air carrier abandoned the services to western Manitoba and to Dauphin and Yorkton.

Mr. Chairman, the report of the Minister for the period up to March 31, 1974 includes the information that a proposal was submitted to Ottawa for the reinstatement of that service, so that I presume that that proposal is the one that has been discussed from time to time since that date, and it's now more than a year ago since the proposal was submitted to Ottawa. During the past six or eight months the Minister has made announcements from time to time on the structure of that service which we understand was to be operated by three levels of government or at least three jurisdictions, that is the Federal-Ottawa Department and the Provinces of Manitoba and Saskatchewan. The details as to the actual way in which each of these three jurisdictions would participate have only been generally revealed. The starting air service date was announced some time ago as being April 1, and of course we're well past that date now, and the number of public announcements in the last six or eight weeks have been remarkably few.

Mr. Chairman, I think this is an appropriate time for the Minister to give the House an explanation of what has gone up to this point in the way of negotiations, what kind of structuring has been accomplished in respect to an administrative and operating authority for the proposed service. Perhaps he can tell us also which carrier has been designated. I assume that since we're well past the original proposed starting date that they probably have made a decision as to which of the three carriers that were in the running at last report, that is Norcan Air and GAS and Ontario Central, which of these three carriers has been designated? But I think if the Minister would perhaps bring the House up to date as far as possible, there are some specific questions which I would like to put to the Minister after these explanations are made.

MR. CHAIRMAN: The Honourable Minister of Industry and Commerce.

MR. EVANS: Well as the Honourable Member for Brandon West knows we have been very concerned about this air abandonment to these centres in Manitoba, Dauphin and Brandon, and he knows that not only did we prepare a brief in opposition to the final abandonment of this service by Transair, but that I appeared personally before the Air Transport Committee and spent a considerable amount of time arguing the case personally that these points in Manitoba should continue to be serviced by Transair and its subsidiary carrier Midwest. They are virtually the same company. I think it's only a legal, a minor legal difference that separates Midwest from Transair. So much so that Midwest schedules you'll find in the Transair handbook, etc. Or at least that was the case some time ago or a short time ago.

Our position was that we as the Manitoba Government assisted Transair in a very material way in attempting to get it into a lucrative market, namely, the Toronto market, and I say that the fact that it received the route to Toronto via Thunder Bay and Sault Ste. Marie, and other

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(MR. EVANS cont'd) points, has strengthened this particular company, has allowed it to receive many revenues that it wouldn't have received otherwise.

We've also supported this company in getting rights to serve the high Arctic, which also brings in considerable revenue, new revenue to this company. And we're also pleased to note that it has been able to get a good share of the Sun Flight, so-called Sun Flight market, that is the traffic, the charter traffic to southerly points in the winter months. And this is a growing market and I think Transair has done fairly well by it.

We have gone to bat for our regional carrier because it is located here in Manitoba, centred in Winnipeg, with many hundreds of employees here. We have gone to bat on behalf of that carrier in the past to get it routes into the United States, particularly Twin Cities. Well we've done all these things, Mr. Chairman, and we maintain that that particular carrier had an obligation to provide some level of service, it wasn't a very high level, at least to the points such as Brandon and Dauphin, but we were not able to persuade that company or the Air Transport Committee of the CTC that they should endeavour to maintain the line even though they may have lost a bit of money in the process. We believe that they could have build up a service for instance between Brandon and Winnipeg similar to the way Time Air has built up its service between the City of Lethbridge and the City of Calgary. Lethbridge to Calgary is approximately the same distance as Brandon to Winnipeg. The population of Lethbridge is a big higher than that of the City of Brandon, I think it's 40,000, 45,000. The population of Calgary is somewhat lower than the population of Winnipeg by, I suppose, probably 100,000, I'm not sure. But by and large you have a sort of similar situation and yet you have this private company Time Air operating several return flights a day, and making money, between Lethbridge and Calgary. For the life of me, Mr. Chairman, I don't know why Transair - Midwest couldn't have developed the same kind of service between Brandon and Winnipeg. I'll tell you my feeling on the matter is that they weren't prepared to give it a try, they weren't prepared to give high quality regular service between these points, and as a result instead of getting a buildup of traffic, you saw almost on a quarterly basis a deterioration in the level of service offered by that carrier. It started off with the Viscounts and then went down to a DC-3 Twin Otter, and then we ended up with, I think it was a Twin engine Piper Navajo, I may be wrong on the description of the aircraft, but it was a six passenger aircraft. And this is ridiculous. People travelling onwards couldn't put their luggage, couldn't bring their luggage with them if there was a full load - certainly they couldn't bring very much luggage. I've been at the airport myself where they've turned people away because they didn't have seats. Conversely I've had occasion when we've tried to get bookings on that aircraft when it was flying from Winnipeg to Brandon, let's say, and we were told as late as mid-afternoon that there was no seats available so we rushed out to Brandon by other means, and then we find out later that the plane arrived half empty. I don't know whether there was a lot of no-shows - of course it wouldn't take many to have many no-shows - but I don't know there are all kinds of very strange stories, and just a very poor level of service that was offered. I don't think they gave it the attention that it deserved.

But one could philosophize and say well maybe this is the result of the kind of air policy that we have in Canada because I guess it goes back, I don't know, how many years now, 15 years, maybe more, when the Federal Government in its wisdom decided on the Regional Air Carrier Policy for Canada whereby Air Canada was relieved of having to service the less lucrative smaller centres in the regions and was allowed to maintain the so-called trunk line, mainline service. As a result the regional carriers are not in the same position to offer the type of service to the small communities, the less lucrative routes that could exist, or do exist within their particular region. And knowing that Transair has had a very rather difficult time of balancing its books, by that I mean it hasn't made enormous profits; I don't even know whether they have ever paid a dividend. They may have paid in the last year or two since they've gone to Toronto, but they are certainly not in the position of General Motors or Dupont, or some multi national corporation that has plenty of profit and plenty of excess revenue. But the fact is that we didn't get the quality of service that we should have received from our major air carrier in this region. So we were, as members know, we worked on the question and we have been able to persuade the Government of Saskatchewan and the Federal Government to come along and support us with a two-year demonstration project servicing not only Brandon but the points of Dauphin and Yorkton.

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(MR. EVANS cont'd)

The Member from Brandon West seems a bit concerned about the length of time that it has taken since this was originally announced. I only want to point out that since it was originally announced that the Government of Manitoba wanted to try a demonstration project that in the interval we were able to firm up a commitment from the Government of Saskatchewan in writing to support by way of subsidy this particular service. Now that's a commitment that's worth many hundreds of thousands of dollars.

Also in the interval we found that although the Federal Government was willing to buy the two aircrafts and parts, something in the order of about \$1.5 million, they were not prepared to pay anything towards the subsidy, and they made no offer of putting the proper electronic equipment and communication equipment or what have you - avionics equipment I suppose you'd call it - in certain of the points, such as Brandon, Yorkton and Dauphin, for this type of service.

After calling for bids, not bids, we didn't ask for bids, we called for proposals - there is a difference - calling for proposals from I suppose many dozens of carriers - I think we communicated with many many carriers - we found that we were faced with a cost, a bill that was far in excess of what we imagined, far in excess of what the Federal Government thought that we might be faced with. As a result we had to take the time to go back to Ottawa and point out what the subsidy costs were going to be approximating, or what our best estimates were based on the information received from the carriers. As a result of that, the Federal Government has decided - and this has been announced - has decided to pay a subsidy of up to, well to pay some subsidy towards the operation in a generalized fashion. But the point is that we have . . . and to put in money towards improving the - I think I shouldn't refer to it as a subsidy as such, I want to refer to it as a start-up cost, a contribution towards starting up the demonstration project. You know, they're spending in the order of - I don't know what it is - in excess of \$10 million, or \$15 million, in the experiment between downtown to downtown between Ottawa and Montreal, and likewise they agreed to help start up a demonstration project. This is a two-year demonstration project; this is not an ongoing . . . we're not setting up a regular commercial service in the normal sense of the word where a carrier applies for a licence to start business, what we're doing here is, we've set up a demonstration project, we've got the Federal Government to co-operate, to give us some funds, some of the moneys I have alluded to, will be for monitoring of the service, collection of data - I think there's something in the order of 75 to 100 thousand dollars for collection of data, and monitoring of this demonstration project. And in addition as the announcement stated, there are several thousands of dollars being made available for improvement of the technical services at these three airports I mentioned, so that now we have some assistance in excess of \$3 million. I think it's about \$3.3 million from the Federal Government. Well this has taken a bit of time but I think it's worth it, it's worth at least \$1.8 million from the Federal Government and many hundreds of thousands of dollars of subsidy commitment, or a few hundred thousand dollars of subsidy commitment from the Saskatchewan Government.

The current situation is that we are in the process of incorporating the holding company, or whatever you want to refer to it as, Skywest Limited, this is comparable to Norontair, the Ontario Government agency which operates service into Northern Ontario points. The licence is held by the Ontario Government agency, Norontair I'm advised, and we are hoping to do likewise. The company is in process of being incorporated; we would hope that this would be concluded very shortly. The work on the licensing of the operation is being completed, the application for licensing is completed. I would hope that we would be able to make an announcement, I hope, within the next week as to the operator and the time, the more specific time of start up.

But I must say this that we are still, and have been waiting for the Minister of Transport, the Federal Minister of Transport, to sign an agreement regarding the actual leasing of the aircraft and the actual technique of the payout of money. In other words, there is still a lot of administrative details, a lot of administrative details to attend to. But we are proceeding as fast as possible in establishing a service, but I don't regret the additional time it has taken because in the last analysis, in the long run, it means that we are getting more assistance from the Federal Government, and we do have a commitment from the Saskatchewan Government.

MR. MCGILL: Mr. Chairman, the Minister's explanations suggest a number of questions

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(MR. MCGILL cont'd) and without taking the time to comment on the Minister's personal feelings on the abandonment by the former carrier, some of which I agree with, I would like to now get down to some specifics on the alternative program that is being whipped into shape by the three levels of government.

First of all, Mr. Chairman, I wonder if the Minister could tell me if I understood him correctly that the Federal Government was in for \$3.3 million for the next two years. Is that the total amount of the federal commitment? I see him nodding in agreement. And then I would ask him if this includes the cost of two aircraft which are to be used by the carriers? The Minister is saying yes. But is it not true that the title and the ownership of those two aircraft will remain with the Federal Government? Well then really the Federal Government is merely leasing aircraft to the carrier and I presume this is being done at no cost to the operator. Is that the proper interpretation?

MR. EVANS: Mr. Chairman, my understanding is that the technical arrangement will be to lease the aircraft at no cost, and also to provide for a replacement of parts that may be required in the next two years. So two aircraft and the costs of parts, estimated costs of perhaps some replacement of parts.

MR. MCGILL: Could the Minister then tell us in specific terms how much money for the two-year program is being contributed by the Province of Saskatchewan?

MR. EVANS: Mr. Chairman, I would have to request my honourable friends, my honourable friend from Brandon West to be patient because that announcement, the specifics will be made in co-operation with the Saskatchewan Government, and I hope that announcement will be made within the next week, so the specifics of their commitment will be announced at that time.

MR. MCGILL: Mr. Chairman, could the Minister say then if there is a specific commitment by the Province of Manitoba or are they in a sort of open-ended arrangement to pick up the balance of the cost of this service over a two-year period?

MR. EVANS: Originally we were looking at the possibility of having to pick up the entire subsidy ourselves in the province. But as I said over the past while we have, through discussions and negotiations, have now received commitments from the other two governments to the extent that I think that it looks something like a one-third cost-sharing arrangement. But, you know, this is our best estimate. So there should be enough among the three levels of government to help cover the costs that are in excess of revenues.

MR. MCGILL: Mr. Chairman, the Minister says that they're down to providing one-third roughly from the Province of Manitoba, and that this, he feels, is a reasonable position. I'm wondering how we got to this stage where we consider a provincial support . . . well we don't know how many millions of dollars because we don't know what the other commitments are, but up until a year or two ago air transportation was always a responsibility of the Federal Government, and regional air transportation fell directly within the responsibility of the Federal Government. Now how did we arrive at the bargaining table in a position where we consider we're well off by picking up a third of the cost when, as far as I know, none of the constitutional responsibilities under the BNA Act, or in any other constitutional way there has been any change in respect to federal responsibilities to provide this kind of regional air service. I'm wondering where the change occurred in the whole process to make the two provinces now responsible for regional air service.

MR. EVANS: Well, Mr. Chairman, obviously there was a deficiency in the level of service offered by the regional air carriers, all of which except the Alberta air carrier PWA, are privately owned. I guess it's a failure of . . . I wouldn't like to say - well maybe it is a failure of federal air policy. You know, maybe we'd be better off with one or two major carriers in this country only who would have responsibility for looking after the less profitable lines. But as the honourable member knows, the route between Yorkton and Winnipeg, Dauphin and Winnipeg, Brandon and Winnipeg, obviously is not a lucrative route by virtue of the population base. But I repeat, I often wonder why Time Air Limited can make a go of it between Lethbridge and Calgary, run a very efficient operation and Transair could not do it between Brandon and Winnipeg.

However, the point being though that the Federal Government is concerned enough to participate. We took the initiative, we took the initiative, because we are concerned about providing air service to Brandon and Dauphin. These are two major regional centres. I'm sure the member coming from the same area as myself, should be getting up congratulating us for this.

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(MR. EVANS cont'd)

I hope you're not now suggesting that . . . I hope that the Member for Brandon West is not suggesting that this is a bad procedure, that it's a federal area of jurisdiction that we've entered into and therefore we should reconsider and leave it. Because I think if we just left it as it was, you would have no air service from your constituency into Winnipeg.

At any rate, Ontario has gotten into it because it too has small communities that weren't serviced by schedule aircraft. We're hoping that with this two-year demonstration project, we can hopefully develop a viable type of air service. We may fail. This may not succeed, and at the end of two years, there may not be any air service between these centres.

MR. MCGILL: Mr. Chairman, the Minister is suggesting that we should be up congratulating him on his efforts to provide air service or replacement service. I'm sure the Minister will agree that it will be time enough for congratulations when this air service has been started and it has been proven to be a successful operation, and I think that would be the appropriate time for congratulations. I think anything that we might say at this stage is premature. After all we haven't even gotten off the ground.

Now, Mr. Chairman, the Minister says that this should be of particular interest to me because we both come from Western Manitoba. Of course it's of interest. I wouldn't otherwise be discussing this matter. There are some political positions and some policy matters that I don't quite understand in respect to it. One of these is that we had an application from Transair to provide a service which would have connected Prince Albert, Regina and Brandon and Toronto, and would have provided a pretty good air service without any subsidy from any level of government. Now this application was denied by the Canadian Transport Committee without hearings, and without, apparently, any very visible opposition from Transair. As a matter of fact, Mr. Chairman, I put it to the Minister, did he not think it was a remarkably docile performance on the part of Transair when they were told that the application which they had submitted to provide this jet service was denied without the trouble of having public hearings or receiving any kind of support or objections to that service? I wonder if the Minister has not considered that situation, and whether or not that service, had it been approved, might have been the answers that he's looking for without any expense to the Province of Manitoba or Saskatchewan.

MR. CHAIRMAN: The Honourable Minister of Industry and Commerce.

MR. EVANS: No, that would not have provided the answers we're looking for at all. The honourable member says that Transair, if I heard him correctly, that Transair Limited was very docile in this matter in not appealing the decision of the Air Transport Committee. Well, you said it. I'm not going to comment except to say that the application was opposed by not only Air Canada - and you can understand why it was opposed by Air Canada because the Brandon to Toronto portion eats into the potential for Air Canada, and so naturally they're going to oppose it - it was also opposed by Canadian Pacific Air, CP Air. They opposed it for the same reason, because they're going to be up-grading their east-west service and it would eat into their potential market. It was also opposed by the communities affected. The City of Regina opposed it. And the Government of Saskatchewan opposed it. And there were other groups that opposed it, I believe. So there was no way that we . . . I think we were the only, along with the Brandon Chamber of Commerce, I believe, and perhaps Prince Albert community supported it, but the Brandon Chamber of Commerce and the Government of Manitoba were about the only two groups to support it, and we prepared a lengthy brief in support of the application.

Now, I don't know what else we could have done. I'd have been glad to see that. I think that would have been good. You know, I think that would have been good. But it is not . . . It's a different type of service. It certainly doesn't do anything for Dauphin, and it doesn't do anything for Yorkton, and it doesn't do anything for the people that want to travel from Brandon to Winnipeg for connecting flights, let's say southward, or wherever they want to make . . . they may wish to make connections at Winnipeg. It does nothing for those people. So you're talking about a service which is entirely different.

MR. CHAIRMAN: The Honourable Member for Brandon West.

MR. MCGILL: Without getting into the debate on that subject, I'd just like to point out that that kind of a service would have provided a western connection for WestMan residents and a direct service to Toronto, so that they would have had opportunities and choices in service in many directions by going west to Regina or going to Toronto for southbound flights. So there

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(MR. MCGILL cont'd). . . . was a great opportunity, and obviously Transair had that market pretty well figured out when they felt that they could provide the service without any subsidy at all.

But, Mr. Chairman, the Minister says that that was no answer to the problem. It was an answer, in my view, to one segment of the proposed new service; it was not an answer for the Dauphin-Yorkton-Saskatoon run.--(Interjection)--I understand the Minister to be saying that they supported this application. I was questioning him as to why the application was dropped with such little public complaint. Now the Minister says that two of our main air carriers, Air Canada and CP Air, both opposed this application. Has there been any indication from either of those air carriers that they are contemplating landing and take-off at Brandon on their east-west services? As we all know, Air Canada once had a responsibility for that service and it was abandoned when the philosophy of the line led them to be interested chiefly in long haul trans-continental and trans-oceanic service. More recently, we have noted in Eastern Canada that Air Canada is renewing its interest in some of its shorter hauls, and I'm wondering if the Minister has investigated the possibility that Air Canada would now be in a position to look at a connection west from Brandon by either Air Canada or CP Air.

MR. CHAIRMAN: The Honourable Minister of Industry and Commerce.

MR. EVANS: Yes, to the best of my information, to the best of my knowledge, Mr. Chairman, neither CP Air nor Air Canada are planning to establish a service which would connect Brandon. That's to the best of my knowledge.

Now I know the honourable member stated that he doesn't want to congratulate us until the airline not only has been put into place, but has proven to be a success. And, you know, as I said, it may be a complete flop, a complete failure in terms of commercial viability at the end of the two year demonstration period, and it may then cease. So he'll not have the opportunity to thank me. But I'd like to know whether he's opposed to what we're doing. I'd like him to tell us, tell me, whether he's opposed to us doing what we're doing with Sky West Limited.

MR. CHAIRMAN: The Honourable Member for Brandon West.

MR. MCGILL: Well, from the information we have up to this point, I'm not sure if I know exactly what you are doing, and I want to be certain that the kind of service that's being proposed is one that will be completely adequate, seven-day-a-week service, and so on. We haven't got the scheduling on all that.

Mr. Chairman, there is a question about the number of interruptions on the previous service, which was I think described as a Level 3 commuter service, and we had some weather problems with that service. Are the up-grading improvements to the airports on the new service such that they would permit all-weather service on instrument flight conditions?

MR. EVANS: I understand that some of this money that the Federal Government is putting into it will enable the airport to receive aircraft in all types of weather, and I know the aircraft . . . We can get this information and I'm sure there's no problem on it, but the instrument . . . full IFR aircraft, and the aircraft will have instrumentation far superior to what existed previously with Transair-Midwest. But again, I know the honourable member is very reluctant to comment too much. But what I was wondering, forgetting about the detail, whether he was opposed in principle to doing this demonstration project. Are you opposed in principle to this demonstration project? That's what I'd like to know. I think that's important for us to know.

MR. CHAIRMAN: The Honourable Member for Brandon West.

MR. MCGILL: Well, Mr. Chairman, I would much prefer to ask the questions and let the Minister answer them, but he insists on having some answer on principle. I think it's important, in principle, to have an air service which enables the WestMan area and the northern parts of the province to develop industrially. There's no question about that. In my view, that's an important part. You can't develop an area of the province industrially if you can't get there from some place in Eastern Canada, and that happens to be the fact of the matter at the moment. An industrialist in Toronto finds out that he can't get to the western part of Manitoba because there is no connecting service.

MR. CHAIRMAN: The Honourable Minister of Industry and Commerce.

MR. EVANS: Oh, I didn't mean to interrupt, I thought . . . well, I would just take it that you're negative on this effort.

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MR. MCGILL: I'm afraid the Minister was not listening to my remarks. I told him that I supported the idea of an air service as a vital part of any industrial development in our Western Manitoba.--(Interjection)--Well, air service includes, I think, either one of the proposals that the Minister is now mentioning from his seat. I don't specify, nor do I relate my remarks to any particular service. I think it's vital and important for the industrial growth of Western Manitoba to have a connecting air service. If it's an all-weather air service with instrument landing facilities at the airports, I think then that adds to the possibilities of its success, because on the regularity and dependability of the service will depend largely the success or failure. People will not get into the habit of using it unless they can be assured that it will leave reasonably on time and in a regular way.

Mr. Chairman, that is not any reason for the Minister to say that I am opposed in principle to the service he proposes. I don't, however, think we've had a reasonable explanation of why it has become necessary for provincial governments to shoulder the cost of air services which are related to and vital to the industrial development of those areas of the province, so that this area is one that we still, I think, need to have some explanations. Two questions which still are . . .

MR. CHAIRMAN: Order please. I wonder if the honourable member could raise those questions at the next meeting of the committee. The hour being 4:30, last hour of the day being Private Members' Hour, committee rise and report. Call in the Speaker. Mr. Speaker, Committee of Supply has considered certain resolutions, reports progress, and begs leave to sit again.

IN SESSION

MR. SPEAKER: Order please. The Honourable Member for Logan.

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

MOTION presented and carried.

PRIVATE MEMBERS' HOUR - RESOLUTION 21

MR. SPEAKER: First item. Resolution 21. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I wish to move, seconded by the Honourable Member for Morris, that

WHEREAS current wage demands being made by groups in all sectors of our society have climbed to a disturbing level;

AND WHEREAS these demands are acknowledged to be approaching a point where they are handicapping efforts to fight inflation;

AND WHEREAS industrial unrest now poses a serious threat to the economy;

AND WHEREAS the problem is national in scope, requiring concerted and united national action;

THEREFORE BE IT RESOLVED that this House urge the Government of Canada to initiate, at the earliest possible date, an assembly of all the labour ministers of Canada to examine the subject of wage demands, their inflationary effects, and methods of mutual co-operation to bring them under control.

MOTION presented.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Speaker. Sir, I'm aware of course that the various primary components of the national economy - management, labour and government - are at this very time giving serious consideration to recent proposals made by the federal Minister of Finance, Mr. Turner, for a voluntary 12 percent limit on wage increases for the next year. I understand, sir, that officers of the Canadian Labour Congress, for some, are preparing an official response that is expected almost momentarily to that proposal, to that federal suggestion. But I suggest, sir, that none of this activity in any way eliminates or minimizes the need and the logic for the kind of resolution that I've proposed here for the kind of Labour Ministers' summit that is envisioned in the proposal before us. For, in the first place, we can't be certain that the suggestions made by the federal Minister of Finance are going to be acceptable to those primary ingredients of our economy that I have mentioned.

In the second place, sir, even if they are acceptable, there will be some time and some experience necessary before we can reach any conclusions as to whether they're successful in having their desired effect. And in the third place, sir, even if they are successful, I suggest that many initiatives are needed at the present time to meet the economic crisis in which the country is caught.

Many steps, many opportunities must be seized and taken in conjunction one with the other, in collaboration and in co-operation, in order to do what we must do, and that is ensure that our economy is not hopelessly impaired by the present inflationary conditions and all the difficulties that it itself is spawning. Hope is necessary if we're going to tackle this challenge, tackle this problem, and come up with an answer to it. Effort is necessary if we're going to come up with a solution to the economic problems of the day.

And so, notwithstanding the things that are proposed by the federal Minister of Finance and the considerations that are under study and review in the nation's capital and elsewhere at the present time, I re-submit, sir, that the kind of Labour Ministers' summit meeting that I'm calling for in this resolution is still necessary, as other steps and other initiatives are still necessary, if we're going to win this battle.

I want to emphasize, Mr. Speaker, that the resolution is not intended to suggest or imply in any way that wage demands in the working force of the national communities are responsible for the present inflationary situation. There is no intent in the resolution and no intent in my position on this question to suggest that that is the case. It well may be that the wage demands that are confronting us today from all sectors of the working community are the result of the inflationary conditions of the moment rather than the cause or causes of them. I simply state the obvious when I suggest that wage demands being made by groups all across the entire spectrum of our society in our economy, have climbed and are climbing to a disturbing level. I think that that is the obvious. I underscore the obvious for the purposes of reaching the Resolved part of my resolution.

But I repeat, sir, that I am not pointing the finger at any one particular culprit in this respect, and certainly not at the wage demands as being the cause of today's condition. What we have to zero in on is the condition that I refer to in the third WHEREAS of the resolution, and that is the industrial unrest that exists in the community at large today and that poses a

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(MR. SHERMAN cont'd) serious threat to our national and our provincial economy. That is the focus that I would like to see this kind of meeting that I have proposed, and that I would like to see the efforts of legislatures like this directed towards. Industrial unrest. It exists; we must face it. We must face up to it; we must analyze it and we must determine how best we can alleviate it and relieve that condition. Industrial unrest itself is not something to be berated or disparaged. I don't cite it as an object or a target of criticism. I cite it as an existing fact and condition in the national economy today, and I suggest, sir, that rather than something to berate or disparage, it is in fact something to investigate, something to study, something to come to grips with and try to understand. We want to investigate the industrial unrest upon the land at the moment with a view to understanding it and with a view to finding some answers and some solutions to it. We'll never be able to alleviate it or relieve it, Mr. Speaker, unless we face it, unless we turn it over in our hands and we find out what makes it tick, what makes it be. And there can of course be many guesses as to what makes it be but guesses are not good enough. The present situation is too serious for that. We don't want any more guesses as to why it's there, why it exists. We want insofar as it's possible to arrive at some factual answers, some scientific answers as to what has produced the present situation.

And I suggest, sir, that among those at least relatively well qualified to provide us with at least some clues to some of the answers, are the Labour Ministers of the various provinces of this nation and the Federal Labour Minister, all of them public servants who toil in those vineyards seven days a week, public servants who work in this very area and who report to the taxpayers in this very area. They won't have all the answers but they'll have some ideas, they'll have some ideas, they'll have some clues, they'll have some suggestions and out of that kind of collection of suggestions, exchange of ideas and interchange of ideas, I would suggest, sir, will come some guideposts and some signposts as to how we can now move to get at this problem to solve it and to provide some kind of hope and some kind of solution to Canadian society.

I'm under no illusions that such a meeting as this will provide all the answers. It will only provide a start, it will only provide a fraction of them at best. But I want to say, sir, that a start has to be made and can be made in undertaking initiatives such as this. I say that with all humility, that initiatives such as this, suggestions such as this and others that I'm sure can be forthcoming from all members of this House, can at least start us in the direction of trying to put the examination together on a table and analyzing the problems and therefore taking the first steps towards coming up with an answer. Until we do that the industrial unrest and the inflation that either causes it or certainly helps increase it and helps worsen it, will remain and continue to be among us without any help of solution in the foreseeable future.

So what this is, sir, is a suggestion for a start, a step; it's an indication that we've got a determination to try to do what we can to get at inflation, to get at the elements creating the industrial unrest of the day, to try to bring some peace and harmony to the economy of the land. And perhaps in that respect, sir, it would be a signal of hope. With those words I would commend the resolution and the idea to my colleagues on all sides of the House.

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Thank you, Mr. Speaker. Mr. Speaker, in rising to take part in the resolution that the Honourable Member for Fort Garry has put forward for the House, I want to say at the start that I think I'm just as much concerned about inflation as any member in this House. I think that the scope of the resolution really in itself is not large enough to cover the problem that faces us today with the malady that some of our people call galloping inflation. You know to limit it just to the Ministers of Labour who are dealing with basically wage contracts and wage demands of white and blue collar workers all across the Dominion of Canada, makes it of a very limited scope and it almost makes a case that the major cause of inflation in this country is caused by what some people will call excessive wage demands.

You know when wage demands are made and settled in a collective bargaining agreement they take place for a one, a two and sometimes three-year period. Prices, unfortunately, that people have to pay for goods and services that change and fluctuate and sometimes almost on a daily basis are not subject to negotiation or any other means, the price is what you can get for the product and people who are in the field of labour relations, those who hold collective bargaining rights for the employees that they represent are caught in quite a bind. And in some cases even management has had to accept the fact that wage negotiations and settlements that were made a year, 15 months or 18 months ago and perhaps 6 months or a year still to run on

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(MR. JENKINS cont'd) the collective bargaining agreement are not sufficient, that I think even governments and this government in particular has been one that has realized that it had to make a cost of living grant to employees because they've been caught in this wage or price spiral that seems to be going up.

You know wage demands alone is not the whole answer. If we want to control inflation in this country I think not only should the Ministers of Labour be meeting but I think the Ministers of Finance, because I think the Minister of Finance who has come up with some idea of 12 per cent increase per annum or per wage agreement - I guess it's per year - with a maximum of \$2,400. It's a very sketchy plan, it doesn't seem to make very much sense now but maybe when we hear some more about it it might do so.

But I also call upon the Minister of Finance in Ottawa to tell the people of Canada and especially those who are engaged in the work force in Canada, which includes a heck of a lot of people, not only those who hold collective agreements but some who do not, and to tell the people how he is prepared to deal with interest rates in this country. And some of the excess profits, some of the excess profits that we've seen in the oil industry from 1969, almost a quadrupling of the profits or even greater, of the profits from 1969 to 1975. What he's prepared to do with the housing crisis in this country. What he's prepared to do with the oil crisis. What he's prepared to do with the land speculators in this country. And perhaps he should even be looking to do a bit of restriction on credit buying.

You know the Honourable Member for Fort Garry, and I congratulate him for taking the interest in putting forward this motion, but to just attack inflation on the idea that the Ministers of Labour are going to be the ones that are going to solve this, I think it has to be more than the Ministers of Labour, perhaps the Ministers of Finance and perhaps the First Ministers, and come up with something meaningful, not just have a consensus of opinion that they seem to be having here in the last Federal-Provincial meetings that they've been having. Nothing seems to come forward with any much meat or potatoes on it.

You know, Mr. Speaker, we talk about 12 percent or \$2,400 whichever may be the lesser and a fair settlement. You know fair settlements depend on where you are on the wage base. You know 12 percent of \$4,000 or \$5,000 is not very much money for those people who are caught in that squeeze and if the Minister of Finance in Ottawa is going to be talking about people at that end of the scale, at 12 percent, and then speak about people who are at \$20,000 at 12 percent, that's one heck of a difference. And I don't care what your maximum is you know, the maximum isn't going to apply to people at between \$4,000 and \$5,000. And there are people in this country who are earning that kind of money, and who in many cases don't even have a collective agreement, they're not even organized. And for those people you know, they're caught in a terrible situation.

You know the Honourable Member for Fort Garry he stated that he wanted the Ministers of Labour to deal with the situation and I believe he stated that it was - in his resolve here - an Assembly of the Labour Ministers of Canada to examine the subject of wage demands, their inflationary effects and the methods for mutual co-operation to bring them under control. This is fine and dandy, if they're going to go down there and really not achieve anything more than what I have observed in many of the Federal-Provincial conferences that have been held, and I think the recent one was a bit of a fiasco, because everybody seems to have gone home and nobody's agreed about anything. But how does he propose that we should control the wage demands in this province and in this country. Does he propose that we will put a ceiling, and what if people are not prepared to accept that ceiling? We've seen cases now where wage negotiations have taken place, government has brought in compulsory arbitration and workers have refused to go back to work because they seem to think that the results that they're getting for their demands are not sufficient.

And I find it a bit of a paradox too, Mr. Speaker, that the same member, when I heard him speaking outside this House to members of the AESES group, to fight on the line and all these things and then propose that we go down to Ottawa. We set some pretty restrictive . . . because we're going to have to if we're going to put people into that type of a thing where we're going to say - I don't know whether we're going to have wage and price control, strict wage and price control, which has been advocated I believe in the last federal election by the Honourable Robert Stanfield.

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(MR. JENKINS cont'd)

You know in this country when we hear people, and especially people of the right of centre who talk about the freedom of the individual to be able to do his thing in society, you know when you advocate price and wage control you are pretty close to a dictatorship. You are getting fairly close --(Interjection)-- Order please. I'm sorry. I beg the honourable members pardon. It's very hard to divorce myself from down there a few moments ago to being up here and I do apologize to the honourable member. If he wants to interject that is entirely within his purview and I certainly will - but I'll leave that to Mr. Speaker to take care of that. But I do apologize to the honourable member for my calling him to order, because I realize I have no right at this time to call him to task.

Mr. Speaker, I don't know whether the honourable member was trying to distract me but he certainly did distract me by making me call him, or try to call him to order. You know what we are faced with in our society today is a case where many workers are simply just trying to keep up with inflation and others, some of them, you know, in positions that have been traditionally well paid, are also asking. They are wanting to maintain their pecking order system as it has been in the past. If I might just briefly comment on the negotiations that took place with the medical profession here in Manitoba. When you look at the wage demands that they asked for - I'm not talking about the ones that we settled for, and even they may be high in comparison to what other people in our society are earning - and I'm not one to stand here to say that doctors are not worth what they have done because they have done a tremendous job as far as I am personally - but somewhere along the line we have to come to grips with the situation that is before us, but whether it will be a meeting of Ministers of Labour that will achieve this or whether it will be something that we will be able to get over, I think that within the past short while we have seen some tremendous wage demands that have been made. But again I say that they have to be taken in conjunction of what the base rate of pay that these people are offering. Some of them that are coming up later this year, or have been made, are not as high, but I think that this is a year that perhaps where we are going to have more people involved in industrial disputes in this country than we've seen for quite some time. And many of these people will be within the public sector.

We have here in Manitoba the Manitoba Government Employees Association who are engaged in negotiations with the Government. We have the Post office employees, nationally, I mean the inside post office workers, we have government workers all across this country, and while a resolution such as the honourable member proposes here is taken to really mean what I sort of read into what he wants them to do, this would make it very hard for people in the public sector, very hard. Because if the Ministers of Labour and the Ministers of Finance in this country all got together and decided that our people within the public service were going to be the ones that are to be made the goats of, well then I guess this is perhaps the proper resolution that this House should be adopting. But, Mr. Speaker. . .

MR. SPEAKER: Order please.

MR. JENKINS: Thank you, Mr. Speaker, you saved me the bother. But I do want to say that while I appreciate the thought that the honourable member has put behind this motion, I feel that it doesn't go far enough, it doesn't go far enough to deal with the crisis that we face in this country. And I stated before, sir, inflation in this country is not being caused by wage demands alone, it is being caused by high interest rates, it is being caused by excessive profits --(Interjection)-- It may be to a certain extent, that it is a certain amount of government spending. But housing prices, housing starts are down this year, the Federal Government is --(Interjection)-- interest rates, oil prices, and what are we going to face on oil prices? God knows, because the last Federal-Provincial Conference didn't seem to come to any consensus of opinion.

The provinces to the west of us are unhappy with the proposals that were made by the Federal Government and by other provinces. I'm sure that the industrial Province of Ontario is not happy with the demands that have been made by the western provinces.

But I think that before we can deal with inflation in this country, we have got to have some determination by this House or the Minister to go down to Ottawa, and some determination of what other provinces are prepared to do. What are Alberta and Saskatchewan, and to a minor extent British Columbia, prepared to do in alleviating the hike in oil prices for people here within our own country. You know, this, if we look at the problem as it is today where we're

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(MR. JENKINS cont'd) faced with a potential shortage of fossil energy within the next ten years, this is what they tell us, yet the oil companies, lo and behold it wasn't very many years ago told us that they had a hundred years. Somehow or other 90 years slipped away in less than a decade.

So, Mr. Speaker, the breadth of the motion as it is here before the House at this time is one - and I'm not speaking for any other members of this House on this side of the House except for myself, it's my own personal opinion, I don't pretend to be speaking for the other members, I'm speaking on my own behalf as a member of this Legislative Assembly - the way that this motion is framed, and it's too narrow in its concept, I cannot support it. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I want to say just a few words on this particular resolution and would begin as the last speaker, Mr. Speaker, sort of indicated that he recognized the sincerity and concern of the mover of this resolution, and certainly concur with the spirit within which it was introduced, but in reading it find ourselves with some reservations about both description of the problem that it seeks to solve as well the solutions that it proposes.

I think, Mr. Speaker, the most difficult passage in the analysis that the honourable member offers is when he suggests that current wage demands are being made by groups in all sectors of our society, I think that is really a serious misreading of the situation because there are many sectors of the society who in fact are not making excessive wage demands, if any, at all. As we know in this province perhaps only about 30 percent of the workforce is unionized. There are many workers, particularly in the service industry, waitresses and clerks, and so on, who have no organized basis for making wage demands, they are simply afforded what they are able to bargain for, in many cases on their own individual rights. The serious wage and income disparity by those in the service sector of this province, which I believe are the latest statistics, and I'm just trying to recall them, are about five hundred and some odd dollars a month compared to those in the industrial sector which are much closer to 900 to 1,000, really demonstrates very much to my mind that there are many sectors of this community who are penalized severely by the present inflationary spiral, and have no basis, none whatsoever, of even keeping themselves even. They are simply and totally victimized by the situation and I think it would be wrong to try to cover them with the same description and analysis that may apply to a few sectors.

I think, even saying that, Mr. Speaker, that there are groups who have received some publicity lately, and I think particularly in this case of the university workers, who I personally don't believe that their wage demands are excessive or out of line. I happen to think that they are simply trying to catch up and as members of a union they have every right to do that. I think that they should be looked at and not be condemned, or even have a finger pointed at them as somehow being the perpetrators of excessive or high wage demands. They are simply in this case trying to get rightful pay for the jobs they provide.

I think, Mr. Speaker, that the tone of that particular description when we're trying to cover the whole thing in wages, I agree with the Member from Logan, it doesn't obviously provide a response to the total problems of inflation. I suppose if we had to add to the volume of words that have been produced in this House in this session, those dealing with inflation would be by far the winners. I'm still not sure that we've yet kind of come to grips with it in a full way, and maybe you can't in the kind of way that we arrange our debates where we're kind of sort of jumping up and down without any ability to have a consistent stream of thought to put to the problem.

But I would like to suggest, Mr. Speaker, that even in the solutions being presented in this resolution, the convening of another summit meeting of labour ministers for a two-day sort of, I guess, kiss-and-tell session, where they're going to hold hands and commiserate and talk about the problems, and then go home and make us all feel better, is not really much of a solution at all. I think it's more of a gesture than it is a solution. And whatever else that they do when they're down in Ottawa - the Minister of Health suggests they have orgies --(Interjection)-- Not being a Minister I wouldn't know about things like that. I'd have to rely upon his experience as the only evidence I could produce.

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(MR. AXWORTHY cont'd)

But I would want to suggest, Mr. Speaker, this, that there are some things that perhaps the Ministers of Labour could talk about, and I gather they have an annual meeting anyway. I believe every July or so they all convene together, usually in a resort setting of some kind. I would think that there are some . . . perhaps, if nothing else that they could do when they do come together is to take a hard look at their own performance. Because if there is one thing that is obvious from the experience in Manitoba, is that we would be much better off in the solution of our industrial disputes if we had decisive government action in them rather than the shilly-shallying that we presently have experienced over the past three or four months, when time after time when labour conflicts have arisen, the powers that are presently available in the Labour Relations Act have simply not been used.

I think we have pointed out before that in questions to the Minister of Labour in this House asking when, and if, and how, he is going to appoint conciliation officers to monitor any part of the impending disputes seeing that he wasn't even aware that some of the disputes were going to take place. In other cases when we asked for the establishment of an Industrial Inquiry Commission, which is certainly within the powers of the Minister under the Act, again it appeared that nothing was to be done.

I think that if we really want to start looking at how you create an economic climate that would tend to soften and try to control the eruption of industrial dispute, that is very much a charge and a responsibility of government because they should be working at it day by day, they shouldn't simply be trying to work in a crisis fashion of running in to put out the fire after the flames have erupted, but should be working at every single day in terms of ensuring that the two sides to any bargaining procedure are fully cognizant of the facts, of the economic facts of the dispute, that they are meeting on a regular basis, that they do have available the conciliation officers that should be made available, that if there are questions of real dispute about financial situations, such as occurred in the university dispute where neither side really knows who is paying for what, and there's a great deal of really ossification in the kind of facts that are being portrayed, and it's up to government to step in when it has the powers to do so and act. And I think that would be the first task. And any meetings of Ministers of Labour is to examine their own soul and see whether they've really been doing their job, and a job simply in acting with the kind of speed and decision that is required in times. Because I think one factor is important to point out, that this nation over the past two or three years has had a far worse record of labour and industrial dispute than almost any other country in the industrialized world, which shows, Mr. Speaker, that something is wrong, that we're simply not doing our job.

I would point out as well, Mr. Speaker, that in looking at solutions to that problem, we are also not being particularly imaginative or thoughtful about the whole problem of labour relations, that we have tended to borrow or try to use the methodologies and the techniques that were devised 30 or 40 years ago when we first began to pay some attention in this country to the development of codes of labour law and the labour boards, and we simply haven't changed them much. I would simply like to suggest that many of those methods and technologies are simply obsolescent. They are simply no longer able to be used, they're just not that applicable any more, and that if there is any area that is crying out at this point for some creative legislation, and creative discussion and debate between labour and management and government representing the public interest, then it is in the labour area. And yet there is almost virtually none. We still are kind of going down the same rut, doing the same things in the same old way, and rather than looking at the establishment of sort of different forms of method such as . . . offer arbitration and other techniques that were being talked about.

I would put on the table, Mr. Speaker, as case in point, the performance of this government when it commissioned what I think is an important and very useful study called the Woods Committee Report on labour management relations in the public sector, which has a number of recommendations within it. I think there's something like 25, 30 recommendations which if they're read, make a lot of sense as a way of dealing with the very difficult problem of labour disputes in the public sector. I've spoke in this House before that collective bargaining with public sector employees is very different than it is in the private sector, that it involves a very different set of negotiations. The Woods Committee addressed itself to that problem, came up with a whole range of recommendations, not one of which has been implemented by this

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(MR. AXWORTHY cont'd)government. Not one. Now they've spent good money and they got one of the best labour people in the country spending a lot of time coming up with proposals and solutions and ideas as to how to deal with the public sector concern, nothing is done and what happens? We're now having disputes in the hospitals, and the schools, and universities, and everywhere else. We'd be much better able and much better suited to dealing with those disputes if those recommendations have been brought in, have been implemented, or there was some indication of doing it.

MR. DILLEN: Like what?

MR. AXWORTHY: This member asks me, like what? I simply have a very simple solution, go and read the report, and take it to your caucus and ask your Minister of Labour why he hasn't done the job. It's there in black and white. And I would suggest, for the gentleman who's supposed to be interested in the concerns of labour, not to have read the report, not to have been banging on his caucus drums sort of continually saying, why isn't it being implemented, it is really dereliction of duty. Because I think that certainly, even sitting in the Act itself, the availability of the industrial inquiry, the right of setting up an industrial inquiry commission and officers to look in the disputes, provide proper information, has never been used. Now presumably the Minister of Labour has some reason for not using it, maybe he has a prior presumption that he knows it's in the Act. --(Interjection)-- And maybe he doesn't know it's in the Act.

But surely to goodness a government that says that they are supposed to be interested in the concerns of labour, and I think have been, I think that they have demonstrated both by word and deed in the past that they believe in the labour movement and want to do something about it. Well I'm simply saying it's time for a new look. It's time for a revision of those kinds of concerns and to do so in a pretty open kind of way. And frankly, Mr. Speaker, we've been stonewalled by this government. They don't tell us anything about what they're doing in labour. All we get is an awful lot of flailing of arms and kind of, you know, jumping up and down, and sound and fury but there is --(Interjection)-- yes. Well whatever it is, we sort of go through an almost daily drama, you know, the kind of Perils of Pauline --(Interjection)-- or a Paulley - without any resolution to those dramas. We're simply wondering, you know, if it is as sensitive a subject and of as much concern to the members opposite as they say it is, and we don't have to pretend that it isn't a problem because we have enough labour disputes right around us to know it's a problem. Why all this play dumb-acting that's going on? Why aren't we doing something about it?

If the intent of the member's resolution was to bring together Ministers of Labour so that they could provide some soul support for each other about what they should be doing and --(Interjection)-- Yes, I agree by the way. --(Interjection)-- Certainly I'd like to suggest that the problem of the Member for Thompson is that he has a very short memory or hasn't kept up with contemporary affairs. I'd remind him that the Minister of Labour in the Federal Government, Mr. Mackasey, has brought forward, and has led the way in labour legislation in this country for the past four or five years. If you look at the labour legislation at the federal level, it far surpasses what we have in this Province of Manitoba, including the standard of minimum wage, and I would only again suggest that he go back and look at those labour codes. --(Interjection)-- And this is where I do agree with the members, I really do. I'm not satisfied with the way that the Federal Government is dealing with public sector bargaining; I don't think that they have thought out the implications of it, just as we haven't here. I think that we, and many people in public life, in public legislatures, felt that it was time that we brought in the right to strike for public employees, but did so I think without taking a real account of where that was going to lead into in terms of the kinds of problems that it was going to have, simply because . . . I don't think everyone sat down and said, collective bargaining with public sector employees is a very different kind of game than it is in the private sector, and then we should have trailed through those kinds of difference. And if they don't know the difference is there, then they don't know an awful lot about labour relations. Now that's my point.

Yet the government has this report sitting on its desk, it's called the Woods Committee, which is a good starting point, and as far as I know has not been discussed with labour movement, has not been discussed with management, and has not been discussed in this House, and I suppose we may have an opportunity when the Labour Minister brings in his estimates to

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(MR. AXWORTHY cont'd) finally find out what he's going to do with that report, and whether he's going to start implementing its findings.

But the point we would like to make, Mr. Speaker, is that this resolution makes sense only, not if it is simply to be a hand-wringing session over the awful problems of wage demands, but if it's to be a sound working session where Ministers of Labour are going to get down and find out what their own feelings are both in action and in policy, because there are many sins of omission being committed by Ministers of Labour across this country, including in our own provinces, and that is one of the primary reasons why we have sort of in many cases unnecessary industrial disputes that end up in strikes of conflict and acrimony. I think that we could solve it if in fact the Minister of Labour would perhaps stop talking so much and get down to some action and bring in some decent legislation.

So if the Member from Fort Garry feels that by calling a summit meeting together that that kind of a serious assessment would take place and that our own Minister of Labour would come back from such a meeting fortified to undertake the problem in a more direct and effective way, and I choose my words carefully, Mr. Speaker, then I would find that it would be a worthy resolution. But at this point I think we could do without the summit meeting and simply provide the kind of imperative action right now in this House and not wait for the Ministers of Labour to get together. I think the message is very clear what should be done and we should just get down to doing it.

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

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I'm very much surprised to see this resolution come from a political party which has throughout the history of Manitoba, as far as I know, have always postured themselves as being concerned with the very affluent, and to hear the Member for . . .

MR. SPEAKER: Order please.

MR. SHAFRANSKY: . . . Fort Garry come out I think to say that what the Ministers of Labour should be concerned with is the wage demands, when just about a week ago he was standing on the front steps of the Legislature talking to the workers who were demonstrating, about how the Conservative party is behind the working people of Manitoba. And here he says that we should, because industrial unrest now poses a serious threat to the economy, AND WHEREAS the problem is national in scope, requiring concerted and united national action; THEREFORE BE IT RESOLVED that this House urge the Government of Canada to initiate at the earliest possible date an assembly of all Labour Ministers to examine the subject of wage demands, their inflationary effects and methods of mutual co-operation to bring them under control. Sounds very well, but I didn't hear him concerned about the profits of the multi-national corporations.

Just as an example, in 1969 the oil companies, after royalties and before federal taxes, paid some \$107 million; 1970 - this is after royalties - they received \$279 million. That's after royalties. 1971, oil companies received \$360 million after royalties. 1972, \$476 million. 1973, \$1,021,000,000; 1974, \$1.8 billion.

Now the member got up to say that we should show some concern about the wage demands of the working people who are only trying to come to the point to meet the ever increased costs of the consumer goods that they buy. When you see one sector of our economy, namely the oil companies reaping in such profits, after royalties, I believe that the cause of all the problems that are created today is not the demands of the working people, they're only trying to get a wage to meet the ever increased cost of living which we're all faced with today.

Mr. Speaker, I think we had witnessed the height of hypocrisy a week ago when we had other members, especially the Leader of the Opposition, speaking to the people demonstrating that the Conservative party is behind the working people. We had the Leader and not elected member, using political ploy to show how much the Liberal party is concerned. Now I must admit that the Member for Fort Rouge today did speak in the terms that I did not expect him to come forth, but he did express those types of concerns because he re-echoed some of the sentiments and concerns of the Honourable Member for Logan.

But it's understandable when the Member for Fort Rouge speaks the words of concern and sentiment in support of the working people's demand for better wages, better working conditions, because I understand that at one time he was a supporter of the New Democratic

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(MR. SHAFRANSKY cont'd) party in his university days, that's my understanding, and possibly he feels that . . . somehow he has never forgotten those days and he wants to once in a while keep on two sides; you know that he's for big business and then another time he's also for the workingman. --(Interjection)-- Well it's difficult, he'll have that problem to straighten out.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: I'm absolutely fascinated by his comment. Does he have some evidence to demonstrate when I went through this particular period of my life or is it just his own speculation?

MR. SPEAKER: The Honourable Member for Radisson.

MR. SHAFRANSKY: No, I have no concrete evidences of you having been a member but I have the words of some former colleagues of yours who attended the University of Winnipeg at the same time, that you were quite involved with the group of students who were concerned about the social problems that Manitobans . . . I know you became President of the Young Liberals after. That was the Ginger Group that was formed with the idea that they were going to suddenly bring about . . . --(Interjection)-- no, no but in Manitoba it was a Ginger Group who were going to bring about major reforms and new political life into the Liberal party of Manitoba. That's what my friend Mr. Loewen who had been with the New Democratic party at its founding convention and then joined the Ginger Group which you were part of at that time. But that was after.

MR. SPEAKER: Order please.

MR. SHAFRANSKY: I'd like to go into it. I'd like to go into it but you wouldn't believe if I told you the right story. You would sooner believe . . .

A MEMBER: That's where you're wrong. We would believe it.

MR. SPEAKER: Order please.

A MEMBER: You don't have any imagination, Harry.

MR. SHAFRANSKY: I'm not blushing, I'm just trying to find these figures here and I've lost them. --(Interjection)-- Yes, but that was an aside. --(Interjections)-- No, Mr. Speaker, to get back to the resolution. The resolution is rather meaningless especially in light of the fact that it comes from a political party who has never, to my knowledge, shown concern except of course when it seems to their advantage, and I believe the Honourable Member for Fort Garry has taken one position - I believe the one thing that should be done is his speech should be circulated to all of those people who've been out on the picket lines throughout the last few weeks.

MR. SHERMAN: I hope it'll be by my speech, and not yours.

MR. SHAFRANSKY: Well I say I hope that it is your speech and your resolution so that they will become aware of the double standard that the Member for Fort Garry takes as far as matters relating to the wage demands of the people in the Fort Garry, the University of Manitoba.

MR. SHERMAN: We'll leave that up to the voters of Fort Garry.

MR. SPEAKER: Order please. I'm sure that we can conduct ourselves with a little more decorum than we are at the present moment. If the gentlemen do not wish to conduct themselves with decorum someone could mention it and I could adjourn the place. I do think we should act like parliamentarians. The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, I know that the gentlemen opposite look on this as a very humorous resolution, because it should be considered humorous in the fact that they are the ones who introduced it. Actually it's not humorous it's a fact. Because that's the type of attitude they always have in trying to make sure that the working people do not get an adequate return on their labour. These are the group traditionally who want to suppress, to make sure that the wage earner does not get a decent income. The wage earner, that's what we're talking about. He's not talking about the corporate, multi-national corporations, he's not talking about the presidents, he's not talking about the doctors, he's not talking - he's not even - well - he's not talking about the farmers in the southwestern part of the province. But I know that there are farmers who do have problems in other parts of this province and who are definitely affected by the high cost of the goods that they buy. --(Interjection)-- Agricultural speech? I'll do that one day.

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(MR. SHAFRANSKY cont'd)

If you want to mention about the agricultural speech I should mention that the Honourable Member for Birtle-Russell has always taken the posture wherever he's gone that people should not trust politicians and I suppose he takes himself as an example, so what he says, that is something that I think should be widely publicized, because he tried to posture himself as a dishonest politician but it's something that the rest of us I know do not take that attitude.

Mr. Speaker, that second whereas, AND WHEREAS these demands are acknowledged to be approaching a point where they are handicapping efforts to fight inflation. Wage demands are handicapping efforts to fight inflation, not profits. I would hope that the member would state that it is the profits which are causing the inflation, the high rise in the cost of living, the high rise in the cost of goods that the consumers have to buy.

A MEMBER: High rise apartments.

MR. SHAFRANSKY: High rise apartments. They cause inflation too. --(Interjection)-- Pardon? Mr. Speaker, I believe it is 5:30.

MR. SPEAKER: The hour being . . . The Honourable Minister of Agriculture has something for the House.

MR. USKIW: Yes, Mr. Speaker, I just want to remind members that there is a Committee meeting tomorrow morning at 10:00 o'clock, a Committee on Economic Development, Room 254. And also that we will be going into the Highways Department Estimates outside the House at the same time as we go into Estimates in the House tomorrow afternoon.

MR. SPEAKER: The hour being 5:30, the House is now adjourned and stands adjourned until 2:30 tomorrow afternoon. (Thursday)