

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 p.m., Monday, March 8, 1976.

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 34 students of Grade 9 standing of the Beliveau Junior High. These students are under the direction of Mrs. Koswin. This school is located in the constituency of the Honourable Member for Radisson. We also have 22 members of the Adult Education Class from the Red River Community College under the direction of Mr. Shell Harvey. This school is located in the constituency of the Honourable Member for Logan. On behalf of all of the Honourable Members I welcome you here this afternoon.

Presenting Petitions; Reading and Receiving Petitions.

READING AND RECEIVING PETITIONS

MR. CLERK: The petition of Heller-Natofin (Western) Ltd., praying for the passing of an Act to amend an Act to incorporate Tri-State Mortgage Corporation.

MR. SPEAKER: Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Labour.

MINISTERIAL STATEMENT AND TABLING OF REPORT

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, it is my desire to make a ministerial statement dealing with the matter of the transit strike. I have copies, Sir, for you, for the Leader of the Opposition, and also I have a number of other copies which I would ask to be distributed to the various members of the Assembly, including of course, representatives of the Liberal Party; and also of course to members of my own Party. And if the Page would give you a copy, the Clerk a copy, the Leader of the Opposition a copy as is customary, then distribution of additional copies can be made. Included in my statement, Mr. Speaker, is a copy of the report that I have received from Professor Dale Gibson of the Faculty of Law of the University of Manitoba, and his report to me. So this is a combination, Mr. Speaker, of a ministerial statement and a tabling of a report that I have received. If I have your permission, Sir, I would like to now read this statement, and I want it clearly understood by all members of the Assembly that this does not necessarily have the endorsement of the Government of the Province of Manitoba, but I feel . . .

MR. SPEAKER: Order please.

MR. PAULLEY: . . . in the rules of the House, here, we have it.

MR. SPEAKER: ORDER please. The Honourable Member for Morris have a point of order?

POINT OF ORDER

MR. WARNER H. JORGENSEN (Morris): I do think that I at this stage should raise a point of order for your consideration, and that is the propriety of the Minister making a statement on his own behalf rather than on behalf of the government. My understanding of the provision in our rules is that this opportunity is provided for any Minister to make a statement on behalf of the government. Now if this statement is made on behalf of the government, then of course there can be no objection, and the Minister is perfectly within his rights; but if he is now saying that that statement is his without the endorsement of the government, then I ask you, Sir, to question the propriety of making that kind of a statement at this time.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, on the point of order raised by my honourable friend, and I realize he's a rookie in the field of politics, there is no provision at all in the rules of this House that a ministerial statement has to have the implicit acceptance by the government. I am a Minister of the Crown, I have the rights as a Minister of the

POINT OF ORDER

(MR. PAULLEY cont'd) Crown to make a statement in this House, and I would suggest that notwithstanding the interjection of my honourable friend the Member for Morris, that ministerial statements mean exactly that until such time as a Minister is relieved of his responsibilities in parliamentary procedures, and I suggest in all due respect that I have that right.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): On the same point of order, it seems to me, Sir, it's really more a question of the allocation of time that we have this provision within our rules to allow for ministerial statements. If we want to change the rules and allow any member the right for statements of his own making or of his own convictions from time to time, then the procedure that the Honourable Minister is embarking on would be quite acceptable; but certainly in a traditional sense that this time allocation has been used, it's the reserve of government ministers to demand this time, and it is accorded to them to make government statements to voice government policies.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Will all due respect, Mr. Speaker, if I may interject, to my honourable friend, at the present time I am a Minister of Her Majesty's government --(Interjection)-- I am speaking, Mr. Speaker, as a Minister of the Crown, and if my honourable friend objects to a statement in an important matter affecting over half of the population of Manitoba, let them so state. I suggest there is nothing in any of parliamentary procedures that debars me as a Minister of the Crown to make a statement as a Minister of the Crown.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, if I could speak on the same point of order; it's true that our Rule Book does say that a Minister may make a statement on policy, it doesn't say that he has to have any sort of agreement. I think that the Minister is in order to make a statement, and let him proceed.

MR. SPEAKER: The Honourable Minister proceed with his statement.

MR. PAULLEY: Thank you, Mr. Speaker. Thank you Mr. Representative of the constituency of Portage la Prairie, I appreciate your courtesy, and I trust and hope that those few words imply what I mean insofar as the Official Opposition is concerned.

MINISTERIAL STATEMENT AND TABLING OF REPORT cont'd

MR. PAULLEY: Mr. Speaker, my statement is as follows:

"On February 27th, I made a ministerial statement in this House regarding the industrial dispute between the City of Winnipeg and the Amalgamated Transit Union Local 1505. At that time I drew to the attention of the House the history of events pertaining to the dispute, and indicated a plan of action I had decided to take in an attempt to bring an end to this prolonged strike. You will recall, Sir, that I suggested to the parties, namely the City of Winnipeg and the Transit Union, that they consider jointly recommending to me the name of a mediator to be appointed by me to attempt to resolve the difference between them. It was indicated an appointed mediator's finding would not be binding on the parties but would be made public. That report was made public Saturday last.

Prior to my statement in the House I had requested both the City and the Union to meet and to consider an appointee. This was done by a letter from me to each party dated February 20th. The Union replied on February 24th agreeing to the suggestion. The City, by resolution of Council of February 25th agreed in principle, but with a caveat that the name of the mediator be only forwarded if a name was jointly agreed upon by the parties.

It should be noted, Mr. Speaker, that in my letter of February 20th I indicated to the parties that if they could not reach agreement on a mediator I would appoint same. Following instructions to facilitate a meeting between the parties to consider the selection of a mediator, the Conciliation Officer of the Department of Labour convened a meeting at 2 o'clock p.m. on February 26th. It was reported to me by the Conciliation Officer that after a meeting of over two hours the representatives of the parties did not agree

MINISTERIAL STATEMENT AND TABLING OF REPORT

(MR. PAULLEY cont'd) upon the names for consideration as mediator, and the meeting adjourned without a date for further meetings to follow. As a result of this failure to propose a name, I decided to appoint a mediator and announce the appointment of Mr. Dale Gibson, Professor of Law of the University of Manitoba as mediator.

Mr. Speaker, I took this action based on the past history of constant delay in negotiations between the parties. I realized that in taking this action I might be criticized, and I was, even to the extent of one of the Councillors of the City of Winnipeg demanding my resignation as Minister of Labour. I assure members of this Assembly that my decision was not motivated by any political consideration but in a sincere desire on behalf of the citizens of Winnipeg to end this prolonged strike without further delay.

In this instance, Mr. Speaker, it is worthy to note that the preamble of a resolution passed by the City of Winnipeg on council on February 25th contained the following:

"WHEREAS the City of Winnipeg has now been without transit service for a full month; AND WHEREAS the parties have not negotiated with each other since February 6 of 1976."

I ask my honourable friends in this Legislature - if I have any left - was it not logical for me to act quickly in appointing a mediator in view of the admission that negotiations had not been entered into for twenty days in this vital industry.

I also knew, Mr. Speaker, that in naming Mr. Gibson as mediator I would be criticized by some as indeed I was. This is, of course, a risk that one must take, for it is well-known by all reasonable people you cannot win them all.

Mr. Speaker, I make no apology for the choice of Mr. Gibson because of his integrity, his competence, his knowledge in law, and possibly of far more importance his reputation for fair play. I believe that these characteristics are evident in the report that Mr. Gibson submitted to me at 9 o'clock on Saturday morning.

Faults may be found in some of the conclusions reached by Mr. Gibson but notwithstanding this I am convinced his recommendations are worthy of support and adoption. If this were done, and had it of been done, in my opinion, transit service could have been resumed quickly.

It is noted that the Transit Union by a vote of over 80 percent accepted the report, even though the recommendations would be subject to review by the Anti-inflation Board under Bill C-73 of the Federal authority.

Mr. Speaker, I am sure that you are aware, as I am, that the labour movement in general opposed such reviews by the AIB. But in this particular case no objections were made to me by the labour movement. On the other hand, Mr. Speaker, the council of Winnipeg has not agreed to even forward the recommended settlement for the consideration of the Anti-inflation Board. This is, of course, the right of the council under our system of government. The decision to prolong the dispute has been made by a majority of the council of the City of Winnipeg.

It is interesting to note that after no negotiations having taken place between February 6th and the receipt by me of the mediator's report on March 6th, council did increase its final offer to the employees by approximately two percent. It is not known to me at this time, Mr. Speaker, whether this would be acceptable to each or both parties.

Mr. Speaker, I accept the fact that it is the responsibility of municipal councils to decide what is good for its citizens, even to the extent of depriving them of certain services. This is the responsibility of a municipal council. I also accept the fact that citizens have a right to receive services normally provided to them. One can deny, the other can demand, and unless a third party intercedes a stalemate can continue indefinitely. In the present situation it may be necessary for third party intervention.

Mr. Speaker, I cannot recall a situation where a provincial government has compelled - and I emphasize - that I cannot recall a situation after very intensified research, I cannot recall a situation where a provincial government has compelled a municipality to solve a problem such as we are confronted with in the present bus strike.

It is a fact, Mr. Speaker, that municipalities are the creation of legislatures under the British North America Act, and are delegated certain responsibilities to enhance

MINISTERIAL STATEMENT AND TABLING OF REPORT

(MR. PAULLEY cont'd) the well-being of their respective communities. I am of the opinion that at least at present it is a municipal responsibility to provide transit services to over half a million citizens of Winnipeg. It may be argued that the province take over the operation of the transit system of Greater Winnipeg. It may be that the sharing by the province of 50 percent of the deficit incurred in the operation of the transit system reconsideration should be given to the whole structure. Mr. Speaker, this may be fine, but in the meantime the continuation of this strike is in my opinion unfair to the citizens of Winnipeg and to the business community.

The question naturally then arises: what should this Assembly do to resolve the present impasse? I suggest, Mr. Speaker, to the members of this Assembly that they should agree to an immediate debate on a non-political basis consideration of steps which may be taken to restore transit operations.

May I suggest in all seriousness, and after due consideration of many hours since the rejection by majority vote of the City of Winnipeg, the following steps. May I suggest the following steps which may be considered by members of this House. May I make it perfectly clear, and this is a point raised by my friend from Morris - may I make it perfectly clear that this statement and the suggestions I make are personal and do not necessarily form the opinion of the government, and I am prepared to accept, Mr. Speaker, any admonition, any criticism or any suggestion of withdrawal as Minister of Labour. I want to repeat in all due respect to my colleague The Premier and to my colleagues in Cabinet caucus, that I make it perfectly clear this statement and the suggestions I make are personal and do not necessarily form the opinion of the New Democratic Government of Manitoba. I am of the opinion that as one of Her Majesty's Ministers, I can use this order of business in the House to make this statement. I suggest then, Sir, that consideration of the following methods be considered to have transit services resumed to more than half of the population of this great Province of Manitoba. And I suggest the following:

1. That consideration be given to ordering the city and the union to abide by the recommendations suggested by the mediator and return to providing transit services. Such recommendations be subject to the Anti-inflation Board; or
2. To place the operation of transit under a trusteeship appointed by the Lieutenant-Governor-in-Council; or
3. Order a resumption of services immediately and appoint an arbitrator whose terms of reference would be to consider offers made by each party and subject to the Anti-inflation Board to make a final and binding award.

This general concept, Mr. Speaker, is in accordance with some propositions of final selection arbitrations.

Mr. Speaker, I realize these suggestions may not meet the approval of this House. I only ask that at least they be given some thought, and I offer them only in a desire to resolve the dispute which I believe is a major responsibility of any Minister of Labour, be he a New Democratic, Conservative, Social Credit or a Liberal.

Mr. Speaker, failing this invitation to all members of the House to consider this aggravating problem, I may have to consider other actions; and --(Interjection)-- despite the interjections - I consider, if I am to continue in my capacity as a Minister of Labour, those suggestions would be considered.

Mr. Speaker and members of this Assembly, I have been in this Assembly since 1953. I have long been associated with the trade union movement and I have on a number of occasions declared my personal position. It is well know, Mr. Speaker, that I dislike compulsion in industrial relations, feeling that wherever possible the parties involved should solve their own differences.

However, Mr. Speaker, notwithstanding this conviction, which is based on a long association and involvement in labour-management relations, I feel that positive steps must be taken to restore this vital service to the citizens of our capital City of Winnipeg, and Mr. Speaker, I invite the comments of my honourable friends the members of this Assembly.

MR. SPEAKER: The Honourable Member for Morris.

POINT OF ORDER

MR. JORGENSON: Mr. Speaker, I again raise a point of order, and in the light of the Minister's statement I now want to read into the records the rule as it applies to ministerial statements for your benefit and for the benefit of the Minister of Labour; Section 19 (4) on Page 12 of our Rule Book says this, and for the benefit of the Minister of Labour it's very clear:

"A Minister of the Crown may make an announcement or statement of government policy" and I emphasize that word, of government policy - "at the time in the ordinary daily routine of business appointed for Ministerial Statements and Tabling of Reports; and a spokesman for each of the parties in opposition to the government may make a brief comment with respect to the announcement of statement, and the comments shall be limited to the facts which it is deemed necessary to make known to the House and should not be designed to provoke debate at that time."

Mr. Speaker, the statement just made by the Minister violates that rule on two counts: First of all, by his own admission and contained in the statement itself was the comment that it was a personal opinion on his part. Secondly, the violation of the rule occurred when he introduced into the statement extraneous matters not related to the statement at all, but dealing with subjects that should not have been contained in the statement in the first place.

Mr. Speaker, I insist that if we're going to have rules in this House, that those rules must be obeyed, and we should not be subjected to a travesty such as we've witnessed again this afternoon.

MR. SPEAKER: Any further comments on the point of order. The Honourable Member for Fort Garry.

MINISTERIAL STATEMENT CONT'D

MR. L.R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, in response to the statement just delivered by the Minister, may I say on behalf of the Progressive-Conservative caucus in the Legislature that the people of Winnipeg have suffered sufficient inconvenience under the transit strike as it's existed up to this point in time; the downtown business community has suffered sufficient, if not more than sufficient business and financial loss; the senior citizens of Winnipeg have suffered sufficient, if not more than sufficient immobilization; and the families of the transit drivers in our view have suffered sufficient hardship; and it is time, Sir, that this work stoppage were ended and that the buses were rolling again on the streets of Winnipeg.

The Minister of Labour, it seems to me, has embarked on a very defensive statement and a very defensive position this afternoon, Mr. Speaker, and one is reminded of T.S. Elliott - and perhaps one could paraphrase Elliott to say, "This is the way the strike ends, not with a bang, but a whimper" - because the Minister has stood up here and told us about the needs and requirements of one constituency. I do not suggest that the importance of that constituency, the organized labour constituency, should in any way be minimized, but, Sir, the Minister has a responsibility to serve a total constituency in this province, and that includes far more than the organized labour movement. It includes all the people in the province who are inconvenienced by this strike and indeed those who depend - and that covers a great number - those who depend for their business, for their welfare, for their livelihoods, for their social contacts on it, and that is a broad broad constituency. I think the Minister's view is rather narrow and is expressed in narrow terms in the statement that he has just made.

Sir, I want to make one position on the situation clear beyond any danger of any misunderstanding by anyone inside or outside this Chamber. The Progressive Conservative Party wants the buses rolling on the streets of Winnipeg without interruption and without delay, and that has been our position from the outset. That's been our position from the outset. If the Minister disputes that question, I refer him to our statement as expressed through me in response to his statement on February 27th, when we acknowledged the initiative that he was taking in appointing a mediator and said that we would co-operate in any way we could. But, Sir, this is a no-win situation. Nobody is winning in this strike; not the strikers; not the union leadership; not the City of Winnipeg, and I don't want to go into detail on that point, but I want to say to members of this Chamber that in my view the City of Winnipeg has not won anything; if they've won a

MINISTERIAL STATEMENT

(MR. SHERMAN cont'd) victory it's been a Pyrrhic victory, which will come back to haunt them. Nobody has won. It's a no-win strike, and it's time that everybody were allowed off the loser's hook. It's time that normal service was restored, and that is the responsibility of the Minister; and he's going to have to take that responsibility and put it before us for examination without asking us to help shoe-horn him into that comfortable position where he won't have to take too much of the flack and too much of the criticism.

There are several options open to the Minister, and he doesn't need me to tell him what they are. He has identified three of them, but there are other options; there are other options open to him as he well knows. There probably is an option open to him in the area of mediation, provided the mediator is selected in agreement among the parties concerned. There might be an option open to him in the area of voluntary arbitration; I don't know whether he has sat down with the union officials recently and attempted to persuade them that voluntary arbitration is the best course of action in this situation, but the Minister knows those options far better than I do. He has outlined three possible ones but, Sir, all of them are options that require an initiative on the part of the Minister and on the part of this government. They hardly under our system require initiative on the part of the opposition. We have told him that we want this strike ended, we want service restored, we're prepared to co-operate. He'll find no impediment placed in his path from the Progressive Conservative Party regardless of the initiative that he undertakes. But he has got to make that decision and take that initiative. He's the Minister, let him act, let him act, Sir. What he's done this weekend - and I agree that it's been an uncomfortable one for him and I sympathize with him as a politician - but what he's done this weekend, Sir, is delay settlement of the strike by another 48 hours. He's come in here this afternoon to tell us about the agonizing, excruciating time he's been through, and there's still

no . . .

MR. SPEAKER: Order please.

MR. SHERMAN: . . . there's still no, there's still no concise and precise and forthright action being taken by the Minister. He's come in here in effect verbally wringing his hands and said to us, "What shall I do, what can I do, tell me what I can do?" Let him tell us what he and his colleagues on the front benches and the First Minister of this province want to do. And then we'll demonstrate our responsibility as the Official Opposition with a concern in this matter, we'll demonstrate our responsibility. I think I can assure the Minister that the response he receives from us will be responsible and conscientious. But, Sir, let the Minister act and let him act with dispatch, let him not delay it any longer and agonize over it any longer and go through anguish and put everyone else through anguish any longer. Let him not attempt to avoid an unpleasant situation on the grounds that if he wishes it to go away, it may go away; Sir, it ain't going to go away.

The Minister is now on the hot seat that he created for himself in effect four and five years ago. Four and five years ago this Minister and this government decided to open up labour management relations and industrial relations in this province to all kinds of activity that was going to be detrimental to the economy and to social order. They opened it up, okay let them cook with what they put on the table now. Let them act in a way that brings back harmony, industrial harmony and peace and social order. They thought they could do this and they thought they could cope with it - the chickens have come home to roost in that respect, Mr. Speaker, and it's up to the Minister to stop hoping the thing is going to go away. The only thing that would make it go away would be a more responsible and a more responsive type of labour relations legislation in this province than the type we're currently operating under. As long as the kinds of changes, the kinds of innovations, the kind of philosophy that the Minister and his colleagues introduced in this Chamber in the past four or five years in that field continue to remain on the books, he's going to continue to face crises of this kind and he's going to continue to have weekends like the one he just went through.

MINISTERIAL STATEMENT

(MR. SHERMAN cont'd)

And I don't mind the fact that the Minister has to go through the wringer on a weekend like that, but I do object that the citizens of Manitoba have to go through that wringer for seven weeks with no apparent hope even today that the Minister has any determination in his own mind to step into this thing and settle it. So let him stop the politicking, let him stop the apologies, let him stop the hiding, let him act and let him act with dispatch. It's the government's responsibility to take the steps that it deems necessary. If he and his colleagues bring legislation into this House, we as a responsible opposition will examine it and do what is necessary to co-operate, to expedite the situation and to resolve this serious problem. But he's got to take that first step and he's delayed it by anywhere from 48 to 72 hours by what he's done in the last few days. And his colleagues, Mr. Speaker, I suggest, should have the guts to stand up and side with him in this House.

Why the Minister, why this Minister in this situation has to come into this House and plead singularity; plead no protection; plead the fact that this is his case and his statement and he doesn't have government support - he should have government support. The government should be united as to what it needs to do and where it wants to go and what has to be done in this situation, and they should be standing up with him endorsing his statement, endorsing his actions. Until that happens, Sir, I don't see much hope for restoration of the kind of harmony and the kind of order that we need for those segments in society to which we've all referred in discussing this situation.

There's no leadership coming in that area and until there is, there's going to be no hope of resolving the situation and there's going to be no industrial harmony. So I suggest the Minister and his colleagues have that assignment, that challenge clearly laid out for them in the next few hours ahead. I tell him that we want action now, and we will act as a responsible Opposition when he acts like a responsible Minister and his colleagues act like a responsible government.

MR. SPEAKER: Notices of Motion. The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): I should like the leave of the honourable members of the House to make a statement.

MR. SPEAKER: Does the Honourable Minister have leave? The Honourable Minister.

MINISTERIAL STATEMENT

MR. GREEN: Mr. Speaker, I don't intend to talk about protocol. I think that when issues are very strong and when people feel very strongly about them and think that a certain course of action has to be taken, they sometimes deliberately remove themselves from protocol in order to see whether a particular position will obtain particular support at a time when they feel that that is the only way of doing it. And if that is the way the issue is now presented, so be it. I ask members of this House to think in terms of the enthusiastic plaudits, the overwhelming rush forward to try to solve these issues by legislation on the part of the Conservative members of the House to know where they are going when they are talking on these issues. We are now in a particularly difficult situation, Mr. Speaker. There is a strike in the City of Winnipeg affecting transportation, and no person need try to indicate that he is weeping more tears or is affected in a more humane way or in a more sympathetic way by the difficulties that are being endured by the people who are used to obtaining the transit service, than any other member of this House. Because I believe that every member of this House would hope to be adopting procedures which would result in less difficulty on the part of transit drivers than in more difficulty. I believe, Mr. Speaker, that the wave of enthusiasm that I heard on the other side of the House, though it is well intentioned, in the long analysis, Mr. Speaker, results in more difficulty of the nature that people here are shedding tears for rather than less difficulty.

Mr. Speaker, what is the issue here? The issue is what creates and sustains

MINISTERIAL STATEMENT

(MR. GREEN cont'd) industrial instability, and there is some suggestion that the members of this House acting collectively with the power that is obviously theirs within the confines of parliamentary authority can stop industrial instability. If that were the case, Mr. Speaker, then the Member for Fort Garry is right. Why did he permit the citizens of Winnipeg to suffer one hour, one day, one week, one month? Because, Mr. Speaker, something was at stake. And you know when something important is at stake, then the public of this country, the members of parliament, and the members of elected assemblies are willing to fight to protect what is at stake. We sent, Mr. Speaker, thousands of Canadians overseas to fight for freedom, and some of them died for freedom. We are now talking about a difficult situation involving a transit strike. But something else is important, Mr. Speaker - the right of a group of men to say that they will not work unless they are satisfied with their terms and conditions of employment - and that is one side of it - and the right of the elected representatives of the people to say that they are only willing to pay so much money in order to retain transit services. And both of these, Mr. Speaker, are equally important to me. I cannot conceive of ordering a bus driver to either drive his bus or go to jail. Nor can I conceive of telling a councillor, elected by the City of Winnipeg, the residents of the City of Winnipeg, that they are to pay a certain amount of money or go to jail.

Now perhaps, Mr. Speaker, perhaps at the moment - and, you know, it's at the difficult moments you say stand up and be counted; it's at the difficult moments that somebody has to break protocol and stand up. Because when the War Measures Act was enacted everybody was gung-ho, but Bob Stanfield said three years later, "I wish that I had had the guts to say 'no' when it counted". And when we took the Japanese people from the west coast and brought them into the centre of Canada and deprived them of their rights, somebody should have stood up and said "no", despite the fact that there was a wave of enthusiasm. So what are the members here being asked to do? They're being asked to either come down and legislate one anti-freedom or another anti-freedom; either to tell the workers that they must work regardless of whether they are satisfied with their terms and conditions of employment, or to tell the councillors of the City of Winnipeg that despite their elected position - and I'm not going to talk about their judgment, because I happen to think it's wrong, but I happen to think that they have a right to make that judgment and I will defend that right. We are asked to do one of those two things, Mr. Speaker, and I say that as long as anybody out there, either the councillors of Winnipeg or the men feel that they're going to be taken off the hook, as the Member for Fort Garry says, we are going to prolong industrial instability, we are not going to shorten it.

Mr. Speaker, I tell you that I have defended this position of freedom, and I don't mean by freedom that nothing happens. Because I'm not going to let people die in the hospital; I'm not going to say that a union has a veto power over whether or not I deliver a public service; but I'm going to say that the best way of solving these disputes is by putting the onus on the parties to solve them. And if we legislate the Council of the City of Winnipeg to pay the higher wages - which is by the way, you know, the popular thing to do because the City of Winnipeg has rejected a mediator's report, and I suppose that we will even get plaudits from the labour movement if we legislate this time. I say to you that that makes no difference to me because this precedent will be used next time to legislate workers to work at lower wages, not at higher wages. And when you open the door to that, you cannot start by saying we'll do it when it is our way. I say to you, if we legislate this increased wage and tell the City of Winnipeg councillors that they have to pay it, that the City of Winnipeg councillors will be back on the doorstep of the Provincial Government saying, "We were going to fight it out for 12 percent, you people legislated 15; where's the money, give it to us." And I say that this government will not be able to resist such an appeal. I don't intend to put myself in the position of giving His Worship - and he will do it, because His Worship is a responsible person and he will ask for as much money as he can get for the City of Winnipeg - if we put them into the position where they have to pay the increased amount of money, they will get it from us.

MINISTERIAL STATEMENT

(MR. GREEN cont'd)

Now, Mr. Speaker, I don't know what the right amount is. I have never been able to play God in that respect. What I know is that the right amount is the amount that the City of Winnipeg council and the City of Winnipeg bus drivers finally agree to, and it could take shorter or longer, and there could be suffering. I don't dispute that, Mr. Speaker. But the suffering isn't the worst thing that we can do for our society. The worst thing that we can do for our society is to bring in enthusiastically freedom denying legislation because it will solve an immediate problem and create a long-run problem. If we have been asked to consider these things by a Minister appealing to the members of the House to solve this problem, then I tell you, Mr. Speaker, I appeal to the members of this House in considering whether they want to solve the problem in that way; to speculate on the problems that they are creating by those types of solutions.

MR. SPEAKER: Order please. Order please. I am prepared to accept one other, by unanimous consent, on this particular question, the statement contrary to what the Minister made just now but I'm not prepared to accept a debate on the issue. I'm prepared to accept a pro and con statement from either side as long as you wish by unanimous consent but not totally by anyone who wants to get in. Now if someone on this side wishes to speak, pick your choice. The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I believe that what you have . . . I ask for leave to make a statement . . . statements that I believe, Mr. Speaker, that you're having second thoughts about whether or not they should have been allowed in the first place, including the Ministerial statement.

MR. SPEAKER: Order please. It's not correct. Let's not assume that I made any ruling. So let's leave that point of order out of debate. If you wish to make a statement, you're entitled to it, but if you're starting to reflect on the Chair you have no right to do that.

MR. ENNS: I accept your admonition, Mr. Speaker. Mr. Speaker, I'd like to bring some sense of protocol - as objectionable as that word seems to be - to the nature of my statement. The question is, who is bringing what into this Chamber? You know, who is crying what tears with whatever enthusiasm in this Chamber? And what indeed is expected of this Chamber by the people of Manitoba whom we serve? Mr. Speaker, the Minister of Labour has had our assurances from Day One. Without attempting at any maudlin tears or enthusiasm or compounding a difficult situation, as the Minister of Mines and Resources indicated just a little while ago; by whatever actions we may take, we've indicated either directly from our Leader's office or in this Chamber, our preparedness, our willingness to support the Minister of Labour, to support this government in whatever action they see fit to resolve the situation. We have not attempted to use the positions that we occupy, the seats that we occupy in this Chamber, to inflame the issue, to rent divisions within the disputants in this issue. We have listened from time to time to the progress reports, or lack of progress reports, that were presented in this Chamber by the Minister of Labour, and all that the Minister of Labour has received from us - and our Hansard, the public record will certainly bear that out - are indications of co-operation as voiced by the Member for Fort Garry.

Mr. Speaker, what the Minister has done today of course, the Minister has used and this government has used this Chamber as a place for him to voice and vent some of his frustrations. It is up to the Minister and up to the government to tell us if the honourable views as just expressed by the Member for Inkster are the ones that should prevail with respect to labour negotiations in this province, or are we going to have fishing expeditions undertaken by the Minister of Labour in this province.

Mr. Speaker, I reject the lecturing that we just were exposed to by the Honourable Minister of Mines and Natural Resources about our responsibilities in this Chamber, when conveniently this whole afternoon's exercise has been a forgetting of the responsibilities that Ministers of the Crown, that a government has to this Chamber and to the people of Manitoba. Are we any much the wiser right now as an opposition? And good Lord, Mr. Speaker, if we aren't, are the people outside, are the bus drivers, are the city councillors any much the more wiser as to the kind of direction or the kind

MINISTERIAL STATEMENT

(MR. ENNS cont'd) of leadership that has been given them this afternoon? Now Mr. Speaker, the unfairness of the kind of situation that is taking place right now, and the kind of remarks being made by the Minister of Labour, is of course an attempt to read his politics into this kind of a situation, to attempt to box the Official Opposition into a particular position which we have not allowed ourselves to be boxed into, and don't intend to, Mr. Speaker.

Mr. Speaker, if this government chooses to run, and if this First Minister is prepared to allow his Ministers to run their departments in five different directions, that's a problem that he has to live with, but I don't have to remind the First Minister that that gets to be a pretty difficult position to portray to the people of Manitoba as being a responsible one. Mr. Speaker, it is doubly difficult of course for opposition members to attempt to respond in a responsible way to statements coming forth from the other side.

Mr. Speaker, you know, they may indicate to us that we're hung up on protocol or that we're hung up on the Rule Book, that the Member for Morris is being picayune about things. Mr. Speaker, you know, unless we devise a different set of rules under which we operate, let's not discard what we have, I'd like to believe, and I've said this before, that when a Minister speaks, he speaks for the government; and when the First Minister speaks, he speaks for his entire cabinet - with the exception of the musings that take place from time to time when picked up by alert news people with whatever means they can have at their disposal for picking up these stories or off-hand comments. But surely, Mr. Speaker, when using the time of this House traditionally set aside for important government policies, to come in with a prepared statement, to talk about an issue that we are all sitting on our fingertips on - a strike that is going on, and on, and on - the advance publicity was well known to all and sundry that the Minister of Labour in the Province of Manitoba was going to make an important statement in this Chamber with respect to hopefully some resolution of the strike - to simply sit and listen to the labour's problems and listen to the three or four options that he has thought of. Mr. Speaker, we can think of options too, but we in opposition advise, we don't do; the government acts, and we either support that action or criticize that action, or do whatever, but we cannot initiate it. Now surely that fundamental rule in parliamentary operations doesn't escape any members opposite. For the Minister to invite us to be part of his actions, that is fine and dandy, we will do that the minute he shows us some leadership; but we don't initiate it, you do. And I will place myself as a rookie compared to the services of the Honourable Minister of Labour in this Chamber for a rookie like myself to be so lecturing the Minister of Labour, you know, is really beyond all comprehension at this time.

Mr. Speaker, let me simply reiterate the position that the Official Opposition has stated on numerous occasions. It's the government's responsibility, if they so see it, to intervene in a situation. I have a lot of understanding for the situation as outlined by the Minister of Mines and Natural Resources. But Mr. Speaker, then it's a question for them to argue that out around their cabinet table, and not in front of us in this Chamber. It's for them to present an argument for us that we can attack and we can support - that we can attack and we can support - but don't ask us, Mr. Speaker, as much as we may like to, get into the little family fight that's going on on the other side right now. Mr. Speaker, we demand of this Minister of Labour to bring in a policy which we can either support, constructively criticize, to approve on that policy, or do whatever, but then we will know where we're going with respect to labour relations in this province.

MR. SPEAKER: Notices of Motion. The Honourable Minister of Tourism, Recreation and Cultural Affairs.

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Mr. Speaker, I would like to table answers to questions posed on me of the Honourable Member of Roblin.

MR. SPEAKER: Order please, order please. You will be able to do that under the question period. Introduction of Bills. The Honourable Minister of Mines.

INTRODUCTION OF BILLS

MR. GREEN: Mr. Speaker, I believe it's a matter of government policy that leave be given to introduce Bill 30. The Conservation Districts Act.

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Minister of Municipal Affairs) (Selkirk) introduced Bill 29, An Act to amend The Builders and Workmen Act.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I regret that I neglected to inform the House that His Honour, the Lieutenant-Governor, having been informed of the subject matter of the bill, recommends it to the House.

MR. SPEAKER: Bill No. 30. Thank you very much.

The Honourable Minister for Tourism and Recreation.

MR. TOUPIN introduced Bill 28, An Act to amend The Wheat Board Money Trust Act.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur) introduced Bill 31 An Act to amend the Oakwood War Memorial Scholarship Act.

ORAL QUESTIONS

MR. SPEAKER: Questions. The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q.C. (River Heights): My question is to the First Minister. I wonder if he can indicate whether his government has formed any policy with respect to the Transit strike?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, the report of the mediator having just been received and dealt with by the other two parties, the two parties to the dispute on Saturday last, some 48 hours ago, we obviously are not in a position just yet.

MR. SPIVAK: By way of another question. I wonder if the First Minister can indicate whether the government is considering trusteeship for the transit authority under the Lieutenant-Governor-in-Council.

MR. SCHREYER: Mr. Speaker, when there is definitive policy to be announced, it will be announced at the right time and by the appropriate person.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Labour. Can the Minister indicate or confirm the reports that the mediation report that was submitted to him on the transit strike in fact was subject to error, it did not have complete possession of the facts as possessed by the City of Winnipeg in making its report?

MR. PAULLEY: I wonder if he'd mind repeating it.

MR. AXWORTHY: Could the Minister confirm whether in fact the mediation report that was submitted to him by his mediator appointed by him, did not have the full possession of facts as contained by the City of Winnipeg or in fact was subject to error or miscalculations as admitted by the mediator himself?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I believe that notwithstanding who makes reports, they're always subject to error insofar as the computation of cost input concerned in the application of percentages. Sufficient for me to say, that the mediator asked the principles involved, including the experts of the City of Winnipeg, to check over the computations that the mediator was making in his report and the experts of the City of Winnipeg refused to go over the suggested figures. So therefore, Mr. Speaker, I would suggest that the mediator under those circumstances forwarded his own computations as to percentages and an assessment of the dollar input.

MR. AXWORTHY: A supplementary, Mr. Speaker, to the same Minister. Can the Minister indicate whether as a result of these reports of some error in calculation and findings, whether the Minister will be checking back to ensure that there are any

ORAL QUESTIONS

(MR. AXWORTHY cont'd) corrections - will his department check back to see if there are any corrections, particularly in light that this mediation report might be the basis for some form of government action?

MR. PAULLEY: Far be it for me, Mr. Speaker, as an ex-railroader, to delve into the realm of computations of a highly technical nature that I leave to chartered accountants and otherwise. Sufficient for me to say, that I received the report of the mediator, and while - as I indicated in my statement to this House today - there may be areas of dispute as to the application of those figures, I have no intention of trying to correct the computation made by the mediator; I believe the parties concerned have that responsibility.

MR. AXWORTHY: I have a supplementary, Mr. Speaker, to the same Minister. Can the Minister indicate whether under the terms of reference of this particular mediator, whether he will continue efforts to try and bring the two parties together as is the conventional role of a mediator; or does the Minister have any plans to appoint another mediator who would undertake his role, not just in the presentation of a report, but would in fact attempt to mediate the dispute and bring the two parties together for some continued discussions?

MR. PAULLEY: Mr. Speaker, I think that any reasonable person would understand that my appointment of the mediator was to forward a report to me. That has been done. I made certain suggestions to the honourable members of this Assembly this afternoon as to future courses of action, which apparently have been rejected, so therefore I will have to take under consideration any future steps.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question is to the Honourable the Minister of Mines and Natural Resources, and arises out of a statement that he made a few moments ago. In view of the fact that the Transit Union accepted the mediator's report, and in view of the fact that the mediator's report if accepted by both parties was to go to the Anti-inflation Board for judgment, did the Transit Union not de facto by its actions submit to compulsory arbitration?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, the Transit Union has not submitted to compulsory arbitration. If in fact the Anti-inflation Board results in that, it's because it was imposed by the Liberal administration in Ottawa, not because it has been submitted to by the Transit Union. I'm not at all certain that the existence of the Anti-inflation Board means ipso facto compulsory arbitration. For my honourable friend's information, there was a group of teachers who stayed out of work for several months following a decision by the Anti-inflation Board that their wages would be fixed at a certain level.

MR. SHERMAN: A supplementary Mr. Speaker. But did the mediator's report not suggest and instruct that the award would go to the Anti-inflation Board, and did the Transit Union not accept those terms?

MR. GREEN: Mr. Speaker, I would consider the mediator's report that it go to the Anti-inflation Board to be a redundancy; the award would have to go to the Anti-inflation Board in any event, that's always been understood.

MR. SHERMAN: Mr. Speaker, would the Minister then agree that all labour negotiations at the present time, because of federal regulations, all labour negotiations at the present time are in fact subject to compulsory arbitration.

MR. GREEN: Not at all Mr. Speaker. Compulsory arbitration also involves a compulsion on the people to accept the award. Perhaps the honourable member is more familiar with the legislation than I, but I know of no federal legislation which compels people to accept the award; it says that that's what the award will be and the people can continue not to be employed or not to employ people. As a matter of fact, no employer is required to pay wages to anybody in society because of an award of the Anti-inflation Board. That's my understanding. I would welcome seeing legislation to the contrary.

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

MR. TOUPIN: Mr. Speaker, I would like to table an answer to a question posed

ORAL QUESTIONS

(MR. TOUPIN cont'd) on me by the Honourable Member for Roblin.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Minister of Industry and Commerce responsible for the Manitoba Energy Council, and would ask him as a result of the Energy Conference the Minister attended in Ottawa this past week, I wonder if he could indicate if the gasoline consumers in Manitoba will be paying from seven to eight cents a gallon more as of July 1st.

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

MR. EVANS: Mr. Speaker, as has been reported in the press, there was no agreement on price increase of oil or petroleum products at this particular conference. Certain provinces, including Manitoba, opposed any across-the-board increase as was being suggested by the Federal Government and the Government of Alberta, so thus far therefore, Mr. Speaker, there is no decision on any price increase.

MR. BANMAN: Thank you, Mr. Speaker. I wonder if the Minister could inform the House that if among the Ministers from the different provinces there was a consensus that there would be an increase in gasoline prices to that extent.

MR. EVANS: Mr. Speaker, there was no consensus. There were several provinces, including Ontario, Nova Scotia and Manitoba, who were firmly against any across-the-board increase at this time. There was no consensus except, Mr. Speaker, to accept a recommendation that Manitoba supported that a new system of pricing be studied, one that was more closely related to the real cost of domestic production of oil, and in this way we think that any adjustment in price will be much more equitable and much more rational.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the First Minister. Will the First Minister be calling for a special cabinet meeting today or tomorrow to deal with the three proposals that's been presented to the House by the Minister of Labour?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I've a very fond regard to my honourable friend, but I have no intention of giving him that kind of information.

MR. PATRICK: Mr. Speaker, I have a question for the Minister of Labour. The Minister of Labour has indicated three proposals to the House, can he indicate what will he do to end the strike? Has he got any plans or will he initiate any of the areas that he indicated to the House?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: The only answer I can give to that, Mr. Speaker, is that I will continue to appeal to reason. I attempted to do that in this House this afternoon, but it appears as though my efforts were thwarted by the Official Opposition particularly, but notwithstanding that it is my intention to do everything within my power to see that proper transit services are restored to half a million people in the Province of Manitoba.

MR. PATRICK: Mr. Speaker, really, can the Minister indicate to the House what mechanism will he use to start this debate that would bring the strike together, because that's what he's asking for. Can the Minister indicate it to the House?

MR. PAULLEY: I would suggest, Mr. Speaker, my honourable friend has been a member of this House long enough to know of parliamentary procedures and the methodology required to bring a matter before the House for its consideration.

May I suggest to my honourable friend if he has a lapse of memory or a lack of knowledgeability of the procedures of this House, he may even attempt before Orders of the Day, after giving due notice to you, Mr. Speaker, to ask for an emergency debate on a matter of importance to the well-being of the citizens of Winnipeg in the Province of Manitoba, and of course, Mr. Speaker, that that would be conditioned upon my honourable friend accepting the fact, or rejecting the fact, that transport facilities are of importance to the citizens of Manitoba. I leave it to his judgment. I give him the indication of a procedure that he, Mr. Speaker, or any other member of this House might take in order to have a matter of urgent importance discussed in this Chamber.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. My question is directed towards the Minister of Mines and Natural Resources. Because of the recent heavy snowfall can the Minister tell this House when we may expect the next flood forecast?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I believe there was one here during my absence. I'll find out tomorrow when the next one will be . . .

MR. BROWN: My question is towards the same Minister. Could the Minister at the same time include a forecast on the Pembina River?

MR. GREEN: Mr. Speaker, much as I'd like to satisfy one member of the House, the forecast will be with respect to the problems that might be dealt with by all members.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, first of all I have a question of the Honourable the First Minister, and I wonder if he can advise the House when we can expect the budget?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Yes, Mr. Speaker. Without being completely definitive just yet I would like to make the tentative announcement and I will do that by replying to my honourable friend's question, on or about the 15th of April.

MR. MCKENZIE: Mr. Speaker, I have a question for the Honourable Minister of Tourism, Recreation and, I guess it would be the Minister of Health. I wonder if the Minister can advise the House in light of the continued reporting of violence in hockey games played at the junior level, especially, last week which includes lists of suspensions and unfinished games, if the Minister is now prepared to maybe investigate these new levels of violence which seem to have raised themselves in the last short period of time.

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health) (St. Boniface): Well, Mr. Speaker, I think that some of the violence that my honourable friend referred to has been on the outside of this province. I think that most of them - I don't think there's been that much in the province. I've already stated in co-operation with the MMA what we are doing; and as far as any criminal offence or anything, I think that the question should be directed to the Attorney-General who is the person responsible for law and order in the province.

MR. MCKENZIE: Mr. Speaker, I'll direct a question then to the Attorney-General. For the information of the Attorney-General the series that I'm referring to is the Brandon-Portage series. I wonder does the Minister now see the need for revision of our present legislation or the regulations to hopefully bring this serious problem, which I think has raised its level to - it's serious now - under some form of control.

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, the policy that has been pursued by the Department of the Attorney-General has been constant throughout. It still remains that where there is an unprovoked malicious attack of one player upon another player, by a spectator upon a player, or any two parties involved in a hockey match, then charges may be laid under the provisions of the Criminal Code.

We have laid charges; a charge and a conviction was obtained last year. I have written to Chief Norman Stewart of the Winnipeg City Police Department and also to the Royal Canadian Mounted Police in Manitoba, reaffirming the policy of the department, pointing out the sections of the Code, and repeating the existing policy in the Province of Manitoba.

MR. MCKENZIE: Mr. Speaker, can I ask the Honourable Minister then if maybe he doesn't see the need to instruct especially - this incident I'm referring to was rural - instruct the RCMP officers to have at least one officer present at these games.

MR. PAWLEY: Mr. Speaker, the RCMP and the city police and the Chief of Police in the City of Brandon have been instructed, in fact, to take any reasonable steps that ought to be undertaken on their part to ensure that there is no breach of the Criminal

ORAL QUESTIONS

(MR. PAWLEY cont'd) Code during these games.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON (Wolseley): Mr. Speaker, I wonder if it is customary for your staff to put your name in headline print while the purpose of the ad "Public Draw for Camp Lots" is understated.

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

MR. TOUPIN: Sometimes.

MR. WILSON: What guarantee do the citizens have that the participants will apply for only one campground lot, and what happens if they don't comply?

MR. TOUPIN: Well, Mr. Speaker, there is no guarantee that they'll apply only for one, but there is a guarantee that they will receive only one.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Speaker. My question is to the Honourable the Minister of Mines and Natural Resources. I would like to ask him whether he supports any or all of the alternative proposals for settling the transit strike proposed in his colleagues's statement?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I'll deal with them when they become a matter of government policy.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I have a question for the Minister of Labour. In reference to the statement he made on his own policy this afternoon, can the Minister indicate that under the recommendation that the two parties have to abide by the mediator's report, would he be prepared to recommend to his colleagues that the difference in the . . . his report and the offer made by the city would be paid for by the Provincial Government.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: That would be decided upon in due course as a policy matter for the Government of Manitoba. And I want to forewarn at this stage all members of the Assembly, I intend on going into Committee of Supply to answer some of the questions raised by honourable members opposite.

MR. SPEAKER: Orders of the Day.

ORDERS OF THE DAY - ORDER FOR RETURN

MR. SPEAKER: Order for Return. The Honourable Member for Ste. Rose.

MR. A. R. (Pete) ADAM (Ste. Rose): Thank you, Mr. Speaker. I move, seconded by the Honourable Member for Emerson, that an Order for Return showing

(1) What salary has been paid to the President of the University of Manitoba during each of the last six years?

(2) What was the cost to the taxpayers of the residence purchased for him?

(3) What was the cost to the taxpayers of renovations made to that residence, if any?

(4) What has been the cost to the taxpayers of maintaining this residence during the past six years?

(5) What is the make of the car, and what has been the cost to the taxpayers of purchasing, maintaining and operating the President's automobile?

(6) What other fringe benefits has this person received at the expense of the taxpayers?

(7) What amounts were paid by the taxpayer for travelling expenses and amounts paid for air travel?

MOTION presented.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I would have to oppose this Order as being an Order in that it constitutes material which is not within the administrative authority of the government in the Province of Manitoba; and I would accordingly suggest to you that

ORDERS OF THE DAY - ORDER FOR RETURN

(MR. GREEN cont'd) this Resolution is out of order, not that it should be debated, but that it is out of order and should not be received.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. ADAM: Mr. Speaker, I'd like to speak on the point of order. I believe, Sir, if this resolution is out of order then the people of Manitoba are out of order, because they want to know this information. They want answers to these questions.

MR. SPEAKER: That is not his point of order. The honourable member knows that. Order please. I must concur with the Honourable House Leader's point of order that he raised, and consequently I do not accept this Order for Return. Orders of the Day. The Honourable House Leader.

GOVERNMENT BILLS - SECOND READING

MR. GREEN: Mr. Speaker, I would like you to call the Adjourned Debates on Second Reading in the order in which they appear on the Order Paper.

MR. SPEAKER: Thank you. Bill No. 2, proposed by the Honourable Attorney-General. The Honourable Member for Birtle-Russell. Stand.

Bill No. 4, proposed by the Attorney-General. The Honourable Member for Rhineland.

MR. BROWN: Stand, Mr. Speaker.

MR. SPEAKER: Bill No. 6, proposed by the Minister of Mines. The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Stand.

MR. SPEAKER: Bill No. 10, the Honourable Minister of Agriculture. The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): I would like this matter to stand, Mr. Speaker.

BILL NO. 11 - AN ACT TO AMEND THE QUEEN'S BENCH ACT

MR. SPEAKER: Bill No. 11, proposed by the Honourable Attorney-General. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I adjourned this debate for the purpose of clarifying a particular case that has been represented to me that it was appropriate to be brought up under the particular changes that were proposed both in the Queen's Bench Act and in the County Court Act. I've now satisfied myself that the representations made to me were not entirely accurate and as a result there is no reason for it to be brought before the House at this time. Therefore I do not oppose the proposals in this particular Act nor in the Act that follows.

QUESTION put MOTION carried.

BILL NO. 12 - AN ACT TO AMEND THE COUNTRY COURT'S ACT

MR. SPEAKER: Bill No. 12, proposed by the Attorney-General. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I've indicated as well I have no opposition to this Act.

QUESTION put MOTION carried.

MR. SPEAKER: Bill No. 13, proposed by the Attorney-General. The Honourable Member for Birtle-Russell.

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

MR. SPEAKER: Stand. Bill No. 18, proposed by the Honourable Minister of Mines. The Honourable Member for St. James.

MR. MINAKER: Stand.

MR. SPEAKER: Bill No. 19, proposed by the Minister of Consumer and Corporate Affairs. The Honourable Leader of the Opposition.

GOVERNMENT BILLS

MR. DONALD W. CRAIK (Leader of the Official Opposition) (Riel): Stand.

MR. SPEAKER: Stand. Bill No. 14.

MR. GREEN: No, Mr. Speaker. I would now move, seconded by the Honourable the Minister of Industry and Commerce, 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. The Honourable Minister of Labour.

MATTER OF GRIEVANCE - TRANSIT STRIKE

MR. PAULLEY: Mr. Speaker, it is with deep regret that I used my legislative prerogative . . . to rise on a question of grievance on going into Committee of Supply.

Honourable members may recall about a year ago this date, I did use a similar device to raise a personal grievance, and a grievance because I had some differences of opinion in a wage settlement for psychiatric doctors at the Selkirk Mental Hospital.

I have indicated to the House on a couple of occasions that following that I was under medical treatment and advice by a very eminent group, psychiatric personnel in Manitoba.

I have also indicated that as a result of that involvement the psychiatrists in the Health Sciences Centre did indicate to me that they were prepared to give me a certificate of sanity which may not be awarded to many other members of this Assembly. But that is now an aside. That was a year ago.

Today, Mr. Speaker, I rise on a slightly different personal privilege, and that is that it appears to me, particularly from members opposite, the Member for Morris, the Member for Lakeside, the Member for Fort Garry, that because I chose what I believe to be a historic tradition that one of Her Majesty's loyal Ministers - and I consider myself a loyal Minister, taken the pledge of obeisance to my Queen --(Interjection)-- God Bless her. Yes, that is perfectly true - that I have that right notwithstanding any parliamentary dodge or device that the rules expert, so-called, of the Conservative Party may inject in order to prevent me, as a Minister at the present time of the Government of Manitoba, to ask in this House consideration of a matter that I feel is of so vital importance to over half of the people of Manitoba.

I reject and resent very very much the implications, particularly those of the Member for Fort Garry, that I was going beyond my Ministerial authority or responsibility in making suggestions to this House --(Interjections)-- I wonder if the rabble would just shut up and they'll have an opportunity after I'm finished. Mr. Speaker . . .

MR. SPEAKER: Order please. Could the honourable member state his matter of privilege.

MR. SHERMAN: Yes. I think the record will show that my position was just the opposite, Mr. Speaker. I never accused the Minister of going beyond his ministerial . . .

MR. SPEAKER: Order please. The Honourable Minister of Labour.

MR. PAULLEY: I don't think that's a matter of privilege. I think it is my assessment of what my honourable friend said or implied. Mr. Speaker, when I stood in my place today I did so as one who is deeply concerned with the plight of the citizens, and maybe in particular the elderly because I happen to be one of them, the elderly citizens of the Greater Winnipeg area who have been deprived of transit facilities.

The other week, Mr. Speaker, I drew to the attention of this House by way of a Ministerial Statement that there was a withdrawal of services on January 26th or 27th, and at that particular time I drew to the attention of this House that this was a matter of grave concern to those of us who have the responsibility, not necessarily of government alone, but the responsibility of being one of the 57 members of this Assembly

GRIEVANCE - TRANSIT STRIKE

(MR. PAULLEY cont'd) to do whatever we could to resolve this difference. At that particular time, Mr. Speaker, when I raised the question under Ministerial Statements of the day, instead of being criticized as I have been today by members opposite of the Conservative Party, I received some semblance of accolade because I drew it to the attention of the House and I had, I believe, the concurrence and the support at that particular time of the Honourable the Member for Fort Garry.

What a difference, Mr. Speaker, a month makes! That from that time of January 26th or 27th until today which I believe is the 8th of March there has been a change of heart apparently of the Member for Fort Garry because it appeared to me today, Mr. Speaker, that instead of accolades because of the recognition that I was giving into this House of an intolerable situation that was prevailing, but today the reverse is true. That in the interim between January 26th and today the Minister of Labour and his staff have --(Interjections)--

MR. SPEAKER: Order please.

MR. PAULLEY: You know, I appreciate the interjection of the Honourable the Member for Lakeside, and notwithstanding the fact that I may be standing alone on the front bench, I only wish to Betsy I had some support from the Conservative Party of Manitoba in my efforts to resolve the dispute that has been taking place too long. My honourable friend says bring something into the House to resolve the situation. You know, Mr. Speaker, I am convinced from the utterances of the former Deputy Leader - I don't know what the heck he is now - of the Conservative Party, from what he said today that --(Interjection)-- Oh, of course, he's a good man back on the farm. But I would suggest, Mr. Speaker, that all I am getting from my honourable friend is, "Why don't you introduce legislation so we can hammer the hell out of it?"

That's his intent and what did I do today, Mr. Speaker? Did I act irresponsibly? Did I act irresponsibly, Mr. Speaker, when I made some suggestions for discussion in this House as to possible ways of resolving the dispute? How lovely it would have been, how acceptable to that outfit across the corridors, for me who it is well-known objects to compulsion in industrial disputes. I could imagine, Mr. Speaker, that each and every one of those members opposite would stand up and say, "Well now look buster, you now are compelling upon people in Manitoba, the transit workers or any others, a requirement to go back to work." Of course, the Member for Swan River, of course, Mr. Speaker, the Member for Swan River would love this because that is his whole background in labour management relations, one of compulsion. For that reason I would suggest in all deference to those who still wear the uniform of the Mounted Police that that is his inclusion and that is his approach, and it always has been. And, of course, I'm sure my honourable friend, the Member for Swan River, is receiving an adequate, or maybe inadequate, pension from the RCMP because he was able at that time to impose upon people, but damn it all, Mr. Speaker, that isn't the way democracy works despite the proponent of the little red school house from Swan River. --(Interjections)--

MR. SPEAKER: Order please.

MR. PAULLEY: There is a . . . --(Interjection)-- My CNR pension is secure, and I am receiving it, and it might be my livelihood before too long. I don't really deal with hogs, I don't really deal with hogs as indeed my friend from Lakeside does. But apart from all of that, apart from all of that, Mr. Speaker, is it not a truth, is it not a truism that if one considers the attitude and the approach of that outfit that was thrown out, quite properly, by the voters of Manitoba in '69, is it not their continuing attitude and approach in industrial relations to use compulsion wherever they can?

This afternoon, Mr. Speaker, in my Ministerial Statement, and it's not the first time that a Minister has made a statement without it being documented and approved by a letter by every member of Cabinet, and my honourable friend knows it. You were never in Cabinet, so you wouldn't know. You were just, --(Interjection)-- you were just a custodian of a tri-cornered hat, which never fit you in any case. But apart from that, Mr. Speaker . . .

GRIEVANCE - TRANSIT STRIKE

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

MR. ENNS: There's some reflection being cast on your high office, Sir, and the particular adornment that you wear on your head.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: No I, Mr. Speaker, I'm sure you have enough intelligence as against the intelligence of my honourable friend, to know that that isn't the case. But I say to my honourable friend if the cap fits wear it, and I would suggest a different shaped hat for my honourable . . . one with a hood just before a noose is applied.

But apart from all of that, what is the situation insofar as the strike is concerned in the City of Winnipeg? A mediator was appointed. It's true that on the appointment of that particular mediator one of the disciples of my friends opposite criticized the appointment and suggested that the Minister of Labour should tender his resignation --(Interjection)--because - Oh! I'm not so sure you didn't write this statement. But apart from that, Mr. Speaker, there was a condemnation to the Minister of Labour because the Minister of Labour was accepting his responsibility in the manner in which the Minister of Labour felt was his responsibility to try and resolve this dispute. And it was that reason that I appointed a mediator after the disciples of the Conservative and Liberal Parties, members of council, would not even consider the name of a mediator. They met, Mr. Speaker, for two and a half hours and did they consider who should be a mediator? Did they produce any name at all at that meeting? Not one. Not one, and therefore, Mr. Speaker, the responsibility came back to the Minister of Labour and he made a choice, and all hell broke loose. It wasn't the proper choice. Maybe I should have appointed the previous Chairman or previous President of the Conservative Party. Maybe I should have appointed the red-headed Leader of the Conservative Party, who's a lawyer. Maybe I should have appointed Charles Huband as a Leader of the Liberal Party. Would that outfit on that side of the House accept that without equivocation? --(Interjections)--Yes, even Charlie Chaplin would have been a hell of a lot better than any of your nominees.

But apart from that, Mr. Speaker, this was the situation with which I was confronted. Fault me if you will. I have been subjected to criticisms inside and outside of this House since I was first elected in public affairs back in 1945. It may well be that my days are numbered, and I will accept them, but one thing, Mr. Speaker, be the days numbered or otherwise, I am still going to continue to do what in my opinion, subject to all criticism, is a fair and reasonable approach on behalf of all of the people of the Province of Manitoba. The suggestion of the mediator, Professor Dale Gibson, was rejected.--(Interjection)--A good choice my honourable friend . . . if it was such a good choice why did he not try and impress upon his cohorts that a good choice indicates a reasonable approach to a situation.

You know, Mr. Speaker, I wonder how many of my honourable friends opposite realize what happened. I am criticized, I am sure by my honourable friends, of being inclined to pro-labour. I wonder whether my honourable friends know of a change of stance by the transit workers in respect of the Anti-Inflation Board. They were agreeable to submitting the recommendations of the mediator for the consideration of the Anti-Inflation Board. What a change, what a change--(Interjection)--I'm not having to ask any colleague. I'm stating facts as facts are, that here was a group of people involved in an industrial dispute, representatives of the labour movement who were prepared to accept the recommendations of what my honourable friend from Fort Garry says was a good mediator and to refer them or that recommendation to the Anti-Inflation Board.

Now, Mr. Speaker, I don't want to delay the proceedings in the House. And my friends opposite chortle and, of course, isn't it historic of that bunch over there --(Interjection)--Yes, hysterical is correct, and if anybody is hysterical it's the Honourable Member for Morris, and I only hope one of these days my honourable friend will go through the similar type of examination as I did because I'm pretty well sure that he could not find a psychiatrist anywhere in the City of Winnipeg or Manitoba to give him a certificate of sanity. But apart from that, Mr. Speaker, and I don't want to be derogatory

GRIEVANCE - TRANSIT STRIKE

(MR. PAULLEY cont'd)of my honourable friend, the egg merchant from Morris, and I suggest that instead of trying to interpret the rules in this House he should go back to his historic position of peddling eggs to the members of the Assembly and maybe it would be more fruitful or financially better for my honourable friend to do that because of the nonsensical interruptions that my honourable friend makes from time to time insofar as the procedures in this House are concerned.

But really, Mr. Speaker, I did suggest for the consideration of this House at least three--(Interjection)--three. There's my honourable friend, brings them in. If my honourable friend had only listened, and one thing I do admire about my friend the Honourable Member for Fort Garry, he doesn't give evidence à la hearing aid but he has a great capacity for turning off his hearing facilities from time to time. But if my honourable friend had listened to what I had said he would have noted that I suggested for the purpose of discussion and deliberation in this House, three possibilities. The Honourable Member for Assiniboia asked me how discussion could take place in respect of these and I indicated to him a methodology in which this can be done.

But what my honourable friends opposite want to do is to nail me to the mast-head so that they can sit back and criticize objectively but not constructively suggestions that I have made to resolve this strike. I'm convinced, Mr. Speaker, as a result of what has transpired today, the Conservative Party in Manitoba don't give a damn if the strike lasts forever, and in the meantime business is suffering, the elderly and the handicapped are being deprived of bus transportation. And this is what is happening, and as far as the Member for Swan River is concerned, I would suggest that the trolley bus in Winnipeg makes no damn difference in the streets of Swan River.

I rose on a grievance. It is not my grievance as an individual. I operate as a member of a Cabinet, chosen by the First Minister; it is his prerogative to remove me from office or otherwise. My whole purpose, Mr. Speaker, after having spent - and I am not crying about this - after having spent I would suggest over the last two or three days in excess of 20 hours in an endeavour to bring about a resolution of the transit strike my whole endeavour, my whole purpose in my statement today and my using up of my parliamentary privilege on going into Supply today has been in interest of the people of the City of Winnipeg, despite the rejection by colleagues opposite and despite the rejection by their cohorts on city council.

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

COMMITTEE OF SUPPLY - AGRICULTURE

MR. CHAIRMAN: I would refer honourable members to Page 5. Resolution 8(a) - the Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, last Friday afternoon when we adjourned the House I rose to speak in reply to the Minister's salary and I'd been on my feet for some three or four minutes when the House adjourned. Having listened to this afternoon's session convinces me that much more of the kind of responsibility that we see on that side of the House when we are discussing those responsibilities of the individual Ministers. Now we have witnessed the Minister of Labour in the way he has conducted himself, in his responsibilities in one fashion and we've also had the experience of listening to the Minister of Agriculture and the way he is administering his responsibilities insofar as that department is concerned. I would say, Mr. Chairman, that they are both following two different paths.

The path that we are engaged with with the Minister of Agriculture, Mr. Chairman, is I think that time will tell who is right and who is wrong. The Minister was referring in his last comments I believe about - the subject at hand at the time was the whole dairy industry and where it is going and we want to make it very clear on this side of the House that in the dairy report he gave the figures of the price that the producer was getting for his milk and also the price that the consumer was paying for it. I certainly felt that this comment was commendable up to that point. But, Mr. Chairman, where are we going from here on?

In the course of my remarks on Friday afternoon last I brought to the attention

SUPPLY - AGRICULTURE

(MR. EINARSON cont'd) some of the things that have happened in the past year, to the Minister, and he rose to refute some of the things I said and I made mention of one particular situation which I felt that I was familiar with and that is in my own area, namely Pilot Mound, which was then owned as a private operation but I understand now has been taken over by Manco. Well, Mr. Chairman, probably in this case I accused the Minister of going to the City of Rome instead of going to the City of Pilot Mound one time; perhaps it would have been much better if he'd taken off on a trip to the City of Rome this time and we could have probably solved all of these problems. Well, Mr. Chairman, I would like to deal briefly and go back to the situation in Pilot Mound, Mr. Chairman, and quote from Hansard March 31, 1975.

It says from the Minister, "Mr. Uskiw: Well, Mr. Chairman, the department has had discussions with the processors throughout Manitoba for the last two or three years on this particular problem, and we believe that those discussions were very worthwhile in the formulation of the proposition to build a central whey drying facility. It's out of those discussions that the proposal came forward. So you know, I don't anticipate ever that we will get 100 percent agreement from all the plant owners in this province but by and large most of the plants in Manitoba expressed a keen interest in the proposal in that the whey problem was a cost factor in their operations and that if that could be reduced that would be to their advantage."

It goes on to say, Mr. Chairman, "Now I have here a note that suggests that contracts were signed with Pilot Mound and the Arborg plants who are willing to enter into this program and there was no undue pressure. That's from one of our staff positions one of our staff members in the gallery who are familiar with the program and the discussions that took place." Well, Mr. Chairman, I would like to just go back, I think it is important that I remind the Minister because it has relevance to this whole subject of our dairy industry in the Province of Manitoba and where we are going. When the Minister said that particular plant where someone was sent out from his staff, and I don't know who was up in the gallery, we've been chastised by the Member for St. Johns about mentioning names of staff members of any department so I'll just refrain from doing that. But I can say to the Minister, Mr. Chairman, that this gentleman from his staff did go out to Pilot Mound and did go to Arborg and tried to get them to sign up an agreement of looking after their whey problem and if they did not sign up that agreement they would be forced to forfeit part of their milk quota. It would be directed not to Pilot Mound but to somewhere else.

As a result of this scare tactic, Mr. Chairman, that this Minister used these two plants signed up the agreement which was unfortunate, Mr. Chairman. They were talked into signing this agreement. In other words almost blackmailed - I hate to use that word but that's exactly the tactic the Minister of Agriculture used. You know it's not unlike the Minister of Labour, he's . . .

MR. CHAIRMAN: Order please. . . .the admonition I gave to the Members of the House the other day that we shouldn't start using those types of words. If you do you're going to start getting into trouble with the Chair. I think that the honourable member should tone his language down a bit.

MR. EINARSON: Well, Mr. Chairman, I withdraw the word "blackmail" and say that I think that the intentions of the Minister then were certainly not in the best interests of Pilot Mound, Arborg, let alone the rest of the province who is in the dairy business both on the producing level and on the processing level.

You know, Mr. Chairman, we on this side of the House are concerned about the way in which our whole dairy industry is going. The Minister himself has indicated that he was concerned with the reports that came from Ottawa with regards to the reduction of the subsidy and the reduction of the quotas that the farmers are going to have to face up to and what this is going to do to the dairy industry in the Province of Manitoba. There is no doubt about it, Mr. Chairman, this is not going to encourage farmers to increase or probably new facilities to develop. I'm sure that this is what is going to happen. So I want to put it to the Minister in this perspective, Mr. Chairman, that if the Minister wants to assist the dairy industry from this day forward that he should be working with all the processing plants. I don't care whether they are privately owned or whether they are co-operatively owned or what

SUPPLY - AGRICULTURE

(MR. EINARSON cont'd)have you. I think that if the Minister wanted to say - and he accused us on this side that if that DREE grant was not utilized he would point the finger at the Conservative group and accuse them of destroying all the funds that would be forthcoming from the Federal Government in the way of DREE grants. Mr. Chairman, I'll challenge him on that point any time, any place he wants to do that because I don't think, Mr. Chairman, that he has had the kind of consultation that he said last year with all of the processing plants in the Province of Manitoba in regards to what they're going to do with their whey. After all it was an environmental problem to begin with and a number of the plants had suggestions as to how they could take care of it. I mentioned, Mr. Chairman, I believe last year where a plant is operating in the City of Swift Current, Saskatchewan. They put in equipment to take care of the whey products and it's working very well. I can't help but wonder does the Minister not have any consultations with his colleagues in Saskatchewan? Is he not interested in what's going on up there?--(Interjection)--Well I'm surprised. I thought that maybe the Minister of Agriculture in Manitoba could take some advice from his colleague, the Minister of Agriculture in Saskatchewan.

Well, Mr. Chairman, this not being the case I would like to make a suggestion to him that a more open consultation with all the processing plants be undertaken and that we receive some information as to what is going on and he also indicated to us that the members on the Board of Directors of Crocus Foods, some of them, are the same people on the Board of the Manitoba Milk Producers' Marketing Board. I am wondering, Mr. Chairman, is this not to be termed somewhat of a conflict of interest situation which is not in the best interests of the dairy producers of the Province of Manitoba as well as the consuming public. Because my colleague from Lakeside covered it very well on Friday and while a number of the members over on that side thought that we wouldn't do it in this fashion, but he indicated on behalf of all of us here that we are as concerned about the consumers in this province as we are of the producers. I think, Mr. Chairman, that the Minister if he was to follow his course of action in the fashion that the producers of milk would want him to that they should be allowed to be able to expand their facilities and if requested through a permit to put in the kind of equipment to look after the whey in the respective areas, they should be allowed to do so. I think, Mr. Chairman, this would be much more in keeping with his stay option program than the way he is embarking upon this whole industry right now.

I would like to know from the Minister what is the position of the processing plants right now? All the private plants, Manco, are they still in favour as he seems to lead us to believe, of going ahead with building Crocus Foods plant, this multi-million dollar project that I said and I repeat again is nothing but a monumental political plum for this party, that is the government. I am wondering what stage are we at right now, Mr. Chairman? Are they in support of this Crocus Foods plant as he has intimated to us on this side of the House? I would sure like to know where they stand right now. That to me, Mr. Chairman, is the most crucial issue in our agricultural estimates.

The other one I want to touch on briefly is our beef promotion program that we talked about at quite a length and I noticed in last week's paper where on the front page of the Winnipeg Free Press it says, "Beef Industry is Called a Jungle." This is done from the recent report that the Minister had issued out last week. The one thing I am hoping, Mr. Chairman, that the Minister will allow - and here I speak on behalf of all the beef producers in the Province of Manitoba or at least most of them through their official organizations - that the Minister will allow them to have a referendum to decide whether or not they have a check-off. A check-off would in turn allow them to raise funds to do some of the things that have been recommended in this report by the Commission of Inquiry that the Minister himself established. In this way I think that a good deal of the problems could be solved, a better understanding could be had between the producer and the consumer because, Mr. Chairman, Heaven knows there's a good deal of that going on right now. Because of the problems that Mrs. Plumptre has created in Ottawa and the comments that are being stated about the various marketing boards insofar as the commodities that they are responsible for are concerned and the other interest groups, that is consuming groups that are giving out information that isn't

SUPPLY - AGRICULTURE

(MR. EINARSON cont'd) . . . always entirely correct, or could sometimes be unintentional, the kind of information that they give is not that they want to deliberately misquote facts or figures about what is going on so far as the whole marketing and the production of the agricultural commodities that are produced in the Province of Manitoba.

So, Mr. Chairman, in conclusion, I would hope - and these, Mr. Chairman, are two of the main issues in the agricultural industry as I see them this year and that is our dairy industry and where we are going. Hopefully that the producers will have a greater input and be allowed, because let us not forget, Mr. Chairman, that all members of the Manitoba Milk Producers' Marketing Board are not elected, there are still appointments by the Minister there.

One other thought just occurred to me, I would like to know are all the members who are on the Board of Directors of the Manitoba Milk Producers' Marketing Board producers?

MR. CHAIRMAN: Order please. It is now 4:30 and according to Rule 19(2) of our House Rules I am interrupting the proceedings of the Committee for Private Members' Hour and shall return to the Chair at 8:00 p.m. this evening.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: The first item is Resolutions. Resolution 7, the Honourable Member for Fort Rouge.

RESOLUTION 7

MR. AXWORTHY: Mr. Speaker I would like to move, seconded by the Member for Assiniboia, that

WHEREAS the provision of good housing in sufficient supply at reasonable cost is of prime importance to the people of Manitoba; and

WHEREAS there is need for a comprehensive policy affecting all aspects of the housing market; and

WHEREAS there is presently a fragmentation on the Government's approach to housing;

BE IT THEREFORE RESOLVED that this House consider the advisability of establishing a Department of Housing under a full time Minister that would bring together the government activities relating to land supply, financing, social, co-op and non-profit housing, labour supply and marketing, and that under such a department a separate Housing Loan Fund be established for purposes of applying public capital to housing mortgage, municipal land servicing and repair programs, and that such a department provide financial and technical resources to community organizations for purposes of creating new housing enterprises.

Mr. Speaker, I would like to point out that within the body of this resolution there should be a comma after the word social. A small correction in the resolution.

MR. SPEAKER: Moved by the Honourable Member for Fort Rouge, seconded by the Honourable Member for Assiniboia, the resolution as read with the notated amendment in respect to punctuation. Are you ready for the question? The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I think we have had demonstrated to us early on this afternoon the degree of confusion and perhaps even paralysis that exist in one area of government policy. I think that that particular example is endemic or illustrative of a form of confusion and lethargy that exists in almost all areas of public policy, but increasingly this government has shown itself unable to respond effectively, quickly or with any accuracy to pressing and difficult problems. Mr. Speaker, I think that in the past for, in fact for the past two years members of this group, myself, the Member for Assiniboia in particular, have brought forward resolutions, recommendations, proposals all trying to design to first highlight the difficulties we are entering into in the housing market in the City of Winnipeg in particular, and simply say that if something wasn't done, and done quickly, and done well, we are going to find ourselves in severe shortages at high costs with the concomitive suffering of all the people. Mr. Speaker, he never liked to be a prophet, his words come true, but in fact that's exactly what happened, and we'll never really forget the First Minister of this province rising to the full force of his sort of indignation, as only he can provide, and saying in one of these sessions of the House, that there is no housing problem in Manitoba and never will be because things are under control. Well we know what the answers to that particular statement of the First Minister were, that in fact his reputation for prescience I think suffered a body blow at that stage because he obviously didn't know what was going on. The fact of the matter is that we realize right now, Mr. Speaker, that in the City of Winnipeg in particular we have a vacancy rate of between one and two percent, varying on the month, but for the last two or three years the housing production, the full housing production in the Province of Manitoba has fallen behind considerably, and in fact our rate of construction last year is the lowest going right back to the year 1967-68. In fact, Mr. Speaker, in particularly strategic areas of the market, the apartment rental unit market, the housing construction, was down almost 50 percent. This, Mr. Speaker, cannot be blamed upon national chance, because when almost every other province was improving its housing production over last year, we were falling behind. So when the government gets up and says, "Well, we're just subject to those whims of faith that somehow transfer Canada," what they were simply

RESOLUTION 7

(MR. AXWORTHY cont'd) pointing out is that whatever stimulus was introduced into the housing market as a result or changes in federal decision, the lack of activity and the lack of action, and the lack of response in this province, so that we were not able to utilize or capitalize upon that basic foundation, and the statistics, the bare bald aggregate statistics point that argument out, that we simply did not and do not have a housing policy.

And I can only recall, Mr. Speaker, very vividly when my colleague the Member from Assiniboia was speaking on the Rent Control Bill on Friday and suggested in his speech that in fact one of the responsibilities of this government was to sit down with private builders, was to look at the problem of land servicing, and to take some actions to provide incentives or stimulants, the Minister from his chair said, "I refuse, I refuse; it's not my job." And I can perhaps understand that because the Minister's position is very clearly stated as the Minister responsible for Manitoba Housing Renewal Corporation, . . . are a housing corporation primarily committed to the provision of social housing of different varieties. And in that orbit, Mr. Speaker, primarily defining its objectives as public housing. It dabbles in a few odd other programs, but fundamentally it makes its commitment to a public housing program, which is only one, as we have discussed before, only one aspect of a very wide and varied housing market. Because the fact of the matter is, Mr. Speaker, housing first is no longer an issue that can be treated in an offhand way. It is a basic utility, in effect. People in this province cannot do without housing. It is absolutely essential and it is just as important, just as critical to the livelihood and good welfare of this province as many of the other kinds of Ministerial jurisdictions that are presently looked after by full-time Ministers in this department.

You can look at it, Mr. Speaker, from the point of view that it has a tremendous impact upon industrial development. One of the reasons why there is a lack of full production in the mines in Thompson is because there isn't enough housing in the City of Thompson to satisfy the workers. In meeting work officials of the mining companies and the unions, a short while ago you said, "What could be the one thing that could happen in Thompson to improve production and improve the work force?" They said, "Get us housing." And not just public housing, not just social housing, but housing in the whole area. The fact of the matter is, Mr. Speaker, that housing is a complicated business. It involves matters of finance and land and labour and commodities and professional services. It involves many sectors of the community, and it involves in a large part the private building community, and the constructions industries and the development industry. It involves many of the non-profit organizations. So in other words, there's a number and variety of organizations in the province involved in the field of housing, each of which cuts into the particular problem in a different way with a different approach and needs in some way some common formulation of policy and program to respond to it.

So, Mr. Speaker, for the past two years we've been saying, here is something that's workable. Here's ways of doing - we've suggested ways of transferring the priorities, the capital priorities of government to emphasize housing, saying that in fact it would be a far more effective investment - and I use the word "investment" very carefully - investment in the economic well-being of this province to put it into those services that support the housing markets than to be sort of lolligagging off into the various kinds of make-believe enterprises that we've been sort of spotting all over this province and losing money on. But when you're talking about how you use very precious, very restricted and limited capital, you can get an awful lot more mileage, Mr. Speaker, out of a storm sewer or trunk line in the City of Winnipeg than you can sort of in the aircraft factories and the forest production industries in The Pas, where we have simply just sort of poured money into a great gorge never to see any kind of return on.

So, Mr. Speaker, the fact of the matter is it is that kind of priorities that we've been talking about, so the question comes, why isn't it happening? What seems to be the problem? Well, I think that while we will continue to make recommendations and proposals, one of the obvious difficulties is that the way in which this government goes about applying itself for the housing market, just doesn't make very much sense. That we have people working in Manitoba Housing and Renewal Corporation, that's one aspect. There

RESOLUTION 7

(MR. AXWORTHY cont'd) is people in the Leaf Rapids Development Corporation, and there's another aspect. There are people in Department of Co-ops. There is some people - and we don't know how many - in the Planning Secretariat fooling around and dabbling in the area of housing. God knows they probably have those people in Northern Affairs worrying about housing and dealing with northern housing problems. There's people in the Department of Finance dealing with the whole question of property taxation, which relates very intimately and very inextricably to the field of housing.

There is questions of the labour supply and the construction fields to make sure there's adequate supply of labour and resources and material, all of which have to come together. And yet it's that whole question, you know, of the wise men again looking at the elephant. Someone is grasping around the trunk, another one around the leg, the other one around the tail, saying that's their definition of the problem. But nothing's coming together to give some common orientation, some common identification, and some common direction. And I think the testimony to that came from the words of the Minister himself, he is not responsible for these other areas; it's the Minister of Northern Affairs who's responsible in that area; and the Minister of Community Economic Developments worried about the Misawa situation, and the Minister of Labour worries about the supply of labour, and the Minister of Co-ops worries about co-op housing. So the question is, now who really is looking after the store? Who is managing the vital production of housing in the Province of Manitoba? The answer, Mr. Speaker, is that no one is managing it. They're all dabbling in it. They all have dibs and pieces of it. They all are sort of carrying a little stick to try and beat the problem into submission, but no one has any kind of responsibility for the overall problem.

So that one of the thrusts of this particular resolution, Mr. Speaker, is not taking effect to create a brand new department, it's simply to bring all the people together. And God knows how many there would be, they'd probably add up to a couple of hundred in the government now; at least bring them together and get better use out of them, get them talking together, get them co-ordinating together, but at least get them sort of in the same place so they can start discussing, how do we get a proper land supply in the City of Winnipeg?

You know, Mr. Speaker, I have a couple of reports, one from the Planning Secretariat, the other one from the private industry, which points out the City of Winnipeg - this is 1974 figure - sort of have the average lot price at 11.5 compared to a city like Montreal which is down around 7,000, compared to the City of Calgary, which grows much faster, which is around nine. So here is a kind of absurdity is that we have a city that doesn't grow very fast, a city which is now a large metropolitan area, and yet our land costs are one of the highest in the nation. And it's much higher now. It's probably closer to 15 or 16 in 1975, and it's going to go up even further. And one reason is because no one is looking at that problem. It really requires, Mr. Speaker, the investment of major servicing of bringing lots on line and when I asked the Minister himself in this House a week or so ago, "Well, tell us how much land you've got for your public housing program?" He said, "We don't have enough for our public housing program. We don't know how much we're going to build because we don't even have the lots available." So here on the one hand is this enormous announcement, oh my goodness, well the problem is saved, we're going to build 2,500 units, or whatever it is, of public housing units, and when you ask, what are you going to build them on? they don't have the answer to it. I suppose they're hoping that someone will all of a sudden wave a magic wand and the land will appear, and that's only getting to the question of, you know, the proposal call which I suspect I'll have some source of debate between the Minister and I on his estimates, because the proposal call is one of the most expensive, exorbitant and wasteful forms of housing construction you can possibly find. But we'll have plenty of opportunity to discuss that specific issue.

The question that we're trying to raise in this resolution at the present moment, is that you can't get proper housing until you have good management. Right now we do not have good management because they've got too many managers, and there's too many, sort of, chefs trying to cook the broth, and as a result everyone's got their different

RESOLUTION 7

(MR. AXWORTHY cont'd) recipe and their different ingredients and that is wasteful, Mr. Speaker. We've got too many people spending too much of their time looking at one aspect and one segment of the problem, they ought to be coming together.

And I would suggest, because I know, and I'm sure that some of my friends on the right here who have expressed their concern about government expenditures, I would suggest that a comprehensive housing program utilized through the Department of Housing could do it with far fewer civil servants and far less effort than is being done right now when it's scattered all over hell's half acre; particularly when you have those guys on the Secretariat who has to second guess everybody in what they do.

So the point of our resolution in the first instance, is to get much better management of the housing market, so that we can properly bring on stream all the elements, the land and the labour and the money and the finance and work with the private industry, work with the third sector in housing, work with the municipalities, to plan the program that's required and that is necessary. And rather than evading responsibility saying, it's someone else's job, trying to say that it's the municipalities that aren't doing their job, or it's the Federal Government, or it's the private industry, accepting the fact that constitutionally the responsibility for housing is dead centre on the provinces, and that morally the fact of the matter is that when they bring in a rent control bill without having a complementary or parallel program to do something about housing, then, Mr. Speaker, that is an irresponsible act.

You cannot solve the problem of housing in Manitoba purely and simply through the provision of public housing, which seems to be the only answer that they keep coming back to, time after time, you say, what's your answer? It's more public housing units. And time after time we have to try and tell them that public housing is only one answer, and it is not the complete answer. Even if you're getting into land assembly it doesn't do an awful lot of good, Mr. Speaker, to be banking land for twenty-five years hence when we have a shortage of a thousand or fifteen hundred lots for the housing market right today. That's what's called sort of, you know, long-term thinking and short-term stupidity, because it doesn't do you much good, because the fact of the matter if they bothered to look at some of the population statistics we may not need all that land twenty-five years hence because there'll be far fewer people and far less demand. But right now is the time when the population, those post-war babies that have been moving through like a tidal wave through our system, are now at the family formation stage; they are now coming into the housing markets. All of a sudden they are the ones it is at this point in time when the bulge is appearing, when the demand is at its most severe form, and at this point we're saying, "Sorry fellows, we're out banking land for twenty years," when the fact of the matter the squeeze is on now. And again, Mr. Speaker, we attribute a large part of this to the lack of central focus and central application.

Now in addition to this the resolution also contains two further recommendations and one is, that we would like to see this government shift its priority from spending capital on the frivolous nature of its so-called industrial development activities, which have only ended up in waste and loss, and simply put it back into the housing, not only into the straight construction of the unit itself, but into the servicing of land and the provision of infrastructure in our municipalities and cities, as a basic way of solving the problem.

And a third way, in terms of encouraging and promoting the growth of the third sector of housing which should and can be one of the major sources of new housing supply and production, that this government undertake some initiative to provide the kind of technical resources, back-up strength and front-end financing that's required by those third sector groups, the non-profit groups in particular, to get their housing on the market, because there is no financing provided right now. They say let CMHC do it. Let them handle the problem. If we were able, Mr. Speaker, to put some of the government land and some resources on the end, it's that front-end financing which is oftentimes the most dangerous.

The Province of British Columbia provides second mortgaging and financing, and it's working well. And I would only suggest to the members that while they no longer

RESOLUTION 7

(MR. AXWORTHY cont'd) have quite the same line of communication they had two or three months ago, that I'm sure the Province of British Columbia would be glad to show them some of the methods which they used, because I know the First Minister always loves to point on how other provinces do things. Well, not only should he point to them what they do wrong, he should also find out what they're doing right, and begin to apply himself to some of those techniques and learn how they should be worked.

So, Mr. Speaker, while this resolution we don't suggest is a complete solution, we think that the first initial thrust in the province should be one of management. And we're very glad to know, or to anticipate that we'll have hopefully in a day or two, once we've finished debating the question of agriculture, a further opportunity to look into more specific detail, at a wider range of issues involved in the development of housing.

But I think, Mr. Speaker, we want to put this resolution on the Order Paper for the considerations . . . to say that, to really in a sense to respond to the challenge of the First Minister who said, "Give us alternatives. Get something that will work." Well, here's his alternative, Mr. Speaker. It is only one in a long line, and we can only hope and recommend to this House, Mr. Speaker, that sooner or later if we're going to have to make any sense, or sensibility out of the housing market, that we simply start not by creating a new model of it but simply taking the same Minister, who I have a great respect for in terms of his competence and ability, but simply bring the bits and pieces and parts and parcels together to give him the ability to begin managing the total housing program in providing a comprehensive look at the whole housing market in the Province of Manitoba.

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): Mr. Speaker, the member makes a very interesting case. Now what he's basically saying is that the Manitoba Housing and Renewal Corporation can't do the job, that we need a Department of Housing, which will undertake to take the entire question of housing under its umbrella. Well, Mr. Speaker, it is a different approach. There's no question.

This government did not accept, and has not accepted, the fact that it is going to impinge on the private sector and get involved in the total housing needs of all the people of Manitoba irrespective of their needs.

The Act which brought the MHRC into being, I believe it was 1967 or '68, some members across the way may recall, when it was first brought in the corporation was established to provide housing for those who could not normally in the marketplace, no matter what the conditions are, no matter what the economic conditions would be, could not normally provide adequate housing for themselves. That was the purpose of Manitoba Housing and Renewal Corporation, and that is what it's been trying to do, and I think quite successfully. But the member goes farther than that.

What he's saying is basically this. He's saying, the government has to create a Department of Housing, set a Minister in charge of that and go full-blown into the entire question of housing, irrespective of who it's for. Be it the very affluent, be it the not so affluent, be it the poor, it doesn't matter, that the Provincial Government somehow is going to have to accept the full responsibility for housing, and that if necessary you make land available to the private sector, if necessary, you make financing available to the private sector. In other words you take on the entire responsibility. Well, Mr. Speaker, this is a totally different approach, one which I am not prepared at this time to accept.

The private sector has a role to play, and I hope will continue to have the role to play in Manitoba. We have a fairly good private sector in the sense that it's a fairly productive one. They have had problems, but if the member is implying that the problems of Manitoba are different than elsewhere, either he's kidding himself or he's just not being very factual.

The fact is, that in every province in Canada, they have low vacancy rates. In all the major cities, they have low vacancy rates. To hear him talk you'd think somehow it's only Manitoba that this has happened to. But I can tell him that the vacancy rate in Manitoba, the one in Winnipeg it would be one or two percent. The City of Regina had a vacancy rate of zero in accordance to their own Minister responsible for housing there,

RESOLUTION 7

(MR. MILLER cont'd) had a vacancy rate of zero last September, I think it was, and Toronto and other areas have been even worse.

In Manitoba we do things a little differently and maybe that is where we are at fault. Because what we did in Manitoba when we took office, is we relieved the municipalities totally of any financial responsibility in regard to governmental action. We recognized that the former system whereby the municipality had to participate in capital and in operating subsidies to the public housing, that was inhibiting the development of public housing in Manitoba. And as a result of that we took the step, which is unique in Canada, we simply said that all right the province will undertake to do it, we will not ask the municipalities to have to play any role at all. And perhaps that was a mistake. Perhaps if the municipality itself, if they were involved, that perhaps their attitude in some cases, and perhaps in Winnipeg, they might feel closer to the problem. Although I think not. I suspect that the councillors of the City of Winnipeg, elected people who look after the City of Winnipeg, have a concern for the City of Winnipeg, and they too recognize that more housing is required. But I think what has happened to Winnipeg is what happens in every other city because, as I said earlier, they have the same problem in every other city. You know, back in the '60s it became the thing to do for municipalities to say to a developer if you want to develop, well by all means develop but we want 50 to 60 foot minimum lot size, that all the services shall go in, roads, sanitary, drainage, water, fire hydrants, ornamental lights, sod, street signs, back lanes paved, you name it, everything has got to go in, of course sidewalks included, and add it all to the price of the lot.

Now in the '60s and '50s that made some sense because that could be added to the price of the lot. The buyer would have a 25 to 30 year mortgage. In those days he was paying six - seven percent and he would amortize it over the life of the mortgage. But when interest rates rose to 11½ and 12 percent, Mr. Speaker, then, of course, you must realize, and this is readily recognizable, that the moment that happened then amortizing all these local improvements on the price of the lot itself was going to create a situation where the interest rates, the carrying charges, are extremely high and onerous and add considerably not only to the initial price of the house but to the payments on principal and interest thereafter.

So, Mr. Speaker, that is one of the major issues in the question of the high cost of housing today. You know, the building industry in Manitoba and elsewhere, but in Manitoba I know, can deliver the houses necessary but the problem is can they deliver portable houses because that's really where it's at today. You can buy 50, 60, 70 thousand dollar homes. I don't think there's any problem. The problem is, can you buy a portable home? Therein lies the problem. And therein is the dilemma which the private sector is facing as well, because so long as the requirements of the subdivision is four and a half or five home per acre density, then I don't think they're going to be able to deliver. So long as the requirements are that there must be paved roads, and not just paved roads as I recall requiring pavement which has a life expectancy, a maintenance expectancy of about 25 years, but you know while you're at it you might as well ask for eight inches of concrete so it has a life expectancy of 40 years, so long as that sort of attitude prevails then I don't think housing costs are going to go down.

The Federal Government recognizes this and you know, Mr. Speaker, it wasn't because of Manitoba's inadequacy or Manitoba's problem or dilemma that the Federal Government took certain actions, obviously it was in response to a problem right across the country, because I can assure you that every Minister in every province whether he be a Minister of Housing or a Minister responsible for housing corporations, came up with the same problems of how do you get municipalities to move from the attitude that existed in the '50s and '60s to the new attitude which has to recognize the reality and probably a situation which is not going to change in the foreseeable future.

And in order to meet that the Federal Government introduced legislation which is just within weeks really been proclaimed, whereby through CMHC municipalities will receive a grant of \$1,000 per building lot if the densities approved by the municipal authority will allow densities of a minimum of ten units per acre. And I say again, surely when the Federal Minister introduced this and the legislation under the National

RESOLUTION 7

(MR. MILLER cont'd) Housing Act was changed, he didn't do it for Manitoba's needs - we're really not that all important in the national scheme, we're a small province - he did it because this was the need that's perceived across the country. And so the same situation prevails right across the country.

The housing industry had some very good years in '73, '74. As a matter of fact I recall them, I think it was '73 where there was even feeling around and some comment made that MHRC was building too much and it was cutting into the private sector and perhaps MHRC should cool it. Well now that's changed but the private sector was in a position where anything it built it could sell in the last 18 months or two years, but today and for the last . . . I'd say since last fall the realization has, I think, finally sunk in that although they can build homes, there aren't going to be enough people with the kind of money to afford those homes. And the challenge is to the industry, to the private sector industry, to so re-examine what they've been doing in the last few years to make housing available at a cost the people can afford.

And I think the industry is capable of accepting that challenge and rising to that challenge because, Mr. Speaker, the industry in Manitoba, I recall back in the '50s and back in the '60s, used a lot of imagination. It came up with many methods and techniques and concepts on housing which I give to their credit, I think were copied elsewhere in Canada. But I suspect that as things got better and the housing they built could be readily sold that they somehow just decided to just continue to do the same thing again and again and again.

And I recall, as some members will here, homes that were built in the immediate post-war period or in the early '50s were what I would call expandable homes, where a young couple could move into a one and a half storey unfinished, and in due time and in due course as the family grew and as their needs grew, and as their ability to handle it grew, they added to the house. They finished the upstairs. I recall as well, and other members here I'm sure, those who were in the City of Winnipeg certainly, when the municipal councils didn't insist that everything was done by the developer, but rather it was handled as a local improvement. And when young couples went into a new subdivision they went in with the minimum services already installed but as they could afford it petitions came forward, they were advertised and over 50 percent concurred and pavement went in, or whatever other amenities they wanted, whether they be ornamental lighting or the lane, if there happened to be a lane, paved and so on.

But as I say that was lost in the good years and the challenge today to the industry I think is that they've got to go back and look at the problem as it exists today. Where's the market? Who is the market they're trying to reach? I think that if they examine it, they will soon identify the market. As a matter of fact I have every confidence they will because I have met with the industry, Mr. Speaker. MHRC does meet with the industry and they exchange views, and the industry does know and recognizes and does want at this point in time to start coming up with new concepts in housing, of the setting of housing on land to make the greatest utilization of the land for the best type of housing at an affordable cost. And I'm hoping that the municipalities, the City of Winnipeg in particular, will avail itself of the changes in the National Housing Act and will permit zoning and plans of subdivisions, so that the density of a minimum of ten per acre will be allowed, and as I said as an incentive to think that way and to act that way the Federal Government has amended the National Housing Act whereby CMHC can make these payments of \$1,000 per lot, per building lot available to the municipal corporation.

So that it's obvious as I said if the Federal Government acted this way, they acted in response to a need right across the country, it's not simply something that developed in Manitoba in isolation to everywhere else. As a matter of fact for all the fact that we have a problem, and I don't deny it, the problem still exists mostly for people with no or very little income, who are really hard-pressed in today's market to find any accommodation, and there's where the major effort should be, and there's where the major effort will continue to be; there's the major effort that we're going to have to try to resolve as we did try last year, as we'll try this year and in the years to come.

I'm trying to look at some of the notes or some of the comments made by the

RESOLUTION 7

(MR. MILLER cont'd) Member for Fort Rouge. I'm not prepared to further relieve the municipality of their responsibility. I think the matter of zoning and land use certainly comes within their jurisdiction. That is something that they're going to have to address themselves to because if I read the honourable member correctly, I have to assume that what he's saying is that the province faced with a situation should perhaps assume the responsibility of the local authority and simply, in order to make sure that enough building lots of a certain nature and price are on the market, should make determinations with regard to density and land use which today are the prerogatives of the municipality. Now I'm not sure whether that's what he meant but I think that it will logically flow from what he is saying.

He indicated that land banking was nonsense. You know, I think a year ago he was in favour of land banking. I know the Federal Government still is, and I'm not sorry at all for the fact that the province took advantage of federal fundings available at the latter part of 1973 and entered into land banking. It's true that the majority of that land is not readily available for servicing. The city services have not yet reached there. When they do reach there they will be developed. Some of the land will be available for servicing in the not too distant future, and when that day comes MHRC certainly will act as a developer and will install the services. --(Interjection)-- It will vary from one year to 20 years and some will come on stream at different times.

But again, Mr. Speaker, surely the local government has a role to play here. The city and the province jointly are acquiring land at the city's initiation. They approached the city and said, "We would like to acquire land, will you come in it jointly with us?" and we said, "Yes." And perhaps with that approach perhaps the city will then realize and recognize that if it wants that land serviced, then the services have to go in because I have not heard that the city is inhibited in putting those services in through lack of funds but rather their desire to see phased and balanced development. They do not want, or they want to avoid, let's put it that way, the skipping and the hedge-hopping which can develop because someone has some land between the end of the existing services and a piece of land which may be owned by the city or the province which is not contiguous to the existing services. And I know the city is reluctant, as most cities are and most municipalities are, to start something which is not contiguous to the present existing development. These are real problems to the municipality, and these are the problems that the municipality is going to have to face because these are municipal responsibilities, and although I can discuss it with them in the final analysis they will have to resolve it. So, Mr. Speaker, whether you do it under the aegis of a Department of Housing or you do it through MHRC, I don't think you'd lose any effectiveness.

The suggestion in the resolution that somehow MHRC lacks the ability or hasn't got the scope, I deny totally. The MHRC can and has entered into many areas and is working in many programs. I'll give you a very good example of one that the Minister with the Department of Housing could not have entered into last year. In 1975 the Federal Government came up with a program called Limited Dividends, whereby they would give builders money at eight percent, they would lend them at eight percent. Because the Act was written in the way it was MHRC was able to apply as a limited dividend corporation and one third of the money made available to Manitoba was indeed made available through MHRC. It would not have been available to the Minister of Housing or to a provincial government, but it was made available to MHRC. They took advantage of it, they built one third of the limited dividend housing in Manitoba in 1975, and that was the only way it could have been done successfully. So there's an example of the reverse. We would have been better off, and were better off under MHRC than under a Minister of Housing.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker, the resolution is asking for a Minister of Housing and a Department of Housing and I say right off the bat, no. The Minister of Urban Affairs in charge of the Manitoba Housing and Renewal Corporation, and the fact that he is the Minister of Urban Affairs puts him in a very good position, an excellent position of being involved with the cities and municipalities to overcome the main problem, really the main problem of the housing today and that is land and again, as he mentioned, mortgage rates.

RESOLUTION 7

(MR. F. JOHNSTON cont'd)

Mr. Speaker, the largest utility we have in this province, Hydro, reports to a Minister in this House. Manitoba Telephones reports to a Minister in this House. There is no reason why the Manitoba Housing Corporation cannot report to a Minister in this House, and as a matter of fact it so means - and I'm fumbling a bit - it means there is really no reason for a Minister of Housing any more than there's a need for a Minister of Autopac. You know that's probably the biggest waste of money we have in this province at the present time. There's a utility that could very easy, very easy report to a Minister in this House. We have the opportunity to examine their statements. In the housing we have the Manitoba Housing Corporation under the Urban Affairs' Estimates where we can, where we can in detail question the Minister regarding housing in this province. When the Member for Fort Rouge says that by taking and ending the co-op housing and putting it all under one roof, I'll guarantee you after we get it all under one roof inside of a year they'll all be built up again. You know that's just not the answer.

But, Mr. Speaker, I'm in a position where I have to agree very much with the Minister on this subject, and I have to say to you that I was involved in local government at the same time he was, but even before my time I can remember in St. James-Assiniboia when we had land - and this goes back to the streets of Sackville and in that area - we did not demand that the builder put in houses on great big lots and build 1,100 square feet. You can drive down that street and see bungalows of exactly the same design I might say, Mr. Speaker, that are now being built for more money, just a little bigger rooms bigger rooms he said, but those bungalows were built on those streets and were sold to that developer for \$50.00 a lot providing he put a house on it, and he did. He did, but we didn't tell him he had to build a great big palace on that lot.

Then as we graduated a little bit further west in St. James-Assiniboia, we said, well we didn't tell him what kind of house to put on it, but we said, you've got to be on a certain type of a lot. You've got to be on a 60-foot lot. And then as we got even a little further west and we got into the time when the Minister was speaking of, and the affluent times, we said - as a matter of fact the Member from Assiniboia knows, he lives in there - and we said, "You must 1,100 square feet at least. You must have a 60-foot lot," and you know they didn't come forward with plans that were absolutely elaborate the municipalities and cities, turned around and said, "No, you can't build them." And we were at fault. We were at fault, well, were we? We were in the good times, and what have you. But I think we do have to go back and we have to say to builders that, "Okay, okay, you can build the houses. The services can be paid for in time if the people on the street then want to vote for the services," and it can happen and it can be done.

Mr. Speaker, I will tell you in the hands of private developers if they have the land available, and they can get money at a low interest rate, I will tell you that we will have an overflow of houses very fast, and we have people that can afford the houses. For some strange reason today everybody's saying housing shortage, and I have to question it because I read a report from Simon Fraser University on housing in Canada, and they said that there is really no housing shortage in Canada, and this report's five months old. He says there's a lot of people that can't afford to buy houses in Canada. There's your problem.

Now the government has decided that they are going to take care of the people in the area of not being able to afford or needing housing in that area. Nobody really has to be worried about the guy that can buy the real expensive house. He'll take care of himself and find a builder to build it. But in that in-between market, in that in-between market we've got the price of houses and interest rates to the point where we can't afford them, and that is our problem. Land is too high, interest rates are too high, the putting in of services. The trunk sewer today is too high. I think the Minister could agree with me, it costs about \$35,000 per acre for trunk sewers and pavement. That's going elaborate, pavement roads, paved roads, trunk sewers, etc. You could cut that down by - take the trunk sewers out, take the roads out - and you'd probably knock it down to about \$15,000 or \$16,000. But then when you add back the gravel road and the

RESOLUTION 7

(MR. F. JOHNSTON cont'd) ditches, etc., you have \$25,000. It would come up to \$25,000. There are savings to be made, and there are things that can be done. I must say that I think that's another subject I will get in with the Minister of Urban Affairs at that particular time, but the Act of the City of Winnipeg has been such that releasing and opening up land for housing has not been a good situation.

But, Mr. Speaker, I will tell you, we do not need another Minister. We do not need another department. We have a big department now. We have Central Mortgage and Housing from Ottawa, which is a tremendous help to us at all times. But I must say to you, I must say to you, we have to have land open up, and when that happens there'll be houses built. There'll be lots of them built if we can once get the housing into a situation where we could have a little more density, we can have better interest rates, we can look at different ways of putting services in; let 50 percent of the people vote on their local improvements as they did for many years, whether they want to have a paved road or not, and we will get accommodation.

I believe it was in West Germany after the war they decided that they could be so much per square foot, and they'd build accommodation. They even told them if you want to put in your own heater, if you want to be warmer, put in your own heater. That's mainly the way they did it. They provided a roof over people's heads and then let it go from there. That isn't the perfect situation. But the builders today they want to build houses. I've never heard one that says he doesn't. He wants to sell houses and he will, given the opportunity, Mr. Speaker.

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

MR. WALLY JOHANNSON (St. Matthews): Mr. Speaker, the Honourable Member for Fort Rouge in introducing his resolution used a number of arguments that we have now heard for over the last two years. They are becoming quite familiar through repetition, and one of my colleagues says, they are becoming nauseous. I won't say that. They are becoming quite familiar to the members of the government and to the members of the opposition.

And I must say that in some respects I welcome the contributions of the Honourable Member for Fort Rouge. One of the things that the member constantly berates the government for is its lack of production of housing. He berates us for the fact that we failed to produce enough houses, Mr. Speaker, in this respect I agree with him totally, and I welcome his support, because in the years that I've been in this government I have been constantly harassing the Ministers, whoever the Minister may be, for more housing, and I will continue to do so. Now I don't know whether they'll listen to me. I hope they will. But if the Honourable Member for Fort Rouge continues in the House to berate the Ministers for producing an inadequate supply of housing, I welcome that, because I think that the more housing we produce the better.

Now this is a complex problem; it is not a simple problem. The member, however, in his resolution offers a couple of basic propositions. One is the proposition that through reorganization of the housing effort through setting up a Department of Housing things would be improved greatly. He's offered this as a first step, a step or reorganization of management. And this I would not really favour. I don't really favour setting up a Ministry of Housing at this particular time. There may be a time in the future when it makes sense. But I don't think it does right now, for this simple reason. If the housing effort is placed under a Ministry of Housing, a Department of Housing, rather than principally being delivered now by a Crown Corporation, what happens is that there is less freedom of action in the delivery of housing than there is at present. And this I think is bad. I think it will make it more difficult to deliver housing under a department than it is to deliver housing under a Crown corporation, but through the medium of a Crown corporation.

At present MHRC is a strange sort of bird. It is half fish, half fowl. It is in some senses like a department of government and in other ways it is like a Crown corporation. And I have continually argued, and I haven't been successful always, I have continually argued to make MHRC more like a Crown corporation and less like a department of government, and my main reason for that was that I wanted more housing.

RESOLUTION 7

(MR. JOHANNSON cont'd) produced, and I thought that it could be better produced through a Crown corporation which would be less free, which would be freer of the red tape that government departments necessarily involve. So I would seriously question whether at this time it would be wise to set up a Department of Housing.

The member made a number of specific criticisms of the government that he's made before, and that he will make again, and he'll of course have his opportunity this week, I assume, because the Minister's Estimates are coming up, probably this week.

He stated that the rate of construction in the province has dropped this year. Now, I haven't seen the figures for this year, but this I do know, I do know that since this government came into office in 1969 the general performance of the private sector has been roughly twice as effective as it was during the Conservative years in office. The rough average, the rough average of production of the private sector when the Tories were in office, was about 5,000 or 6,000 units a year. Since we've been in government the private sector has usually produced more than 10,000 a year, and it's been around 11,000 and 12,000 in some years. And from my conversations a couple of weeks ago with one of the private developers there was an indication that the private sector is continuing its performance. Now this particular developer seems to have a different opinion about the performance of the private sector in Manitoba than the Honourable Member for Fort Rouge. --(Interjection)-- Pardon? As I said, I haven't seen this year's figures, but the particular developer that I talked to claimed that the industry, the private industry is producing roughly the same amount this year as it has in the past few years, and he was quite proud of the performance of the private sector.

Now as I said in the Throne Speech Debate, I don't particularly claim credit for this government, for the performance of the private sector, but at the same time I think it's a bit ludicrous to blame the government for the performance of the private sector when it's been producing much much better during our period in office than it did during the Tory period in office. So in this case I have to come to the defence of the private sector.

The honourable member as the Minister of Urban Affairs pointed out, the honourable member seems to give the indication that Manitoba alone is suffering from a housing crisis, and this is a gross over-simplification of the situation; it is really a distortion of the situation, because there's a housing crisis across the country.

As the Minister pointed out there are low vacancy rates, and there is a basic crisis for lower income people who cannot afford the rents that are charged for accommodation and who cannot afford to buy. I am aware of some of the figures that are being charged for new houses in this city and a lot of the housing that is now being produced and which is sold with mortgages at over 11 percent, a lot of those houses cannot be purchased by anyone with an income of less than \$20,000 a year. So there is a real crisis, because the majority of people in this province do not have that kind of income. And the crisis, as the Minister pointed out, is basically for lower income people, and this is the group that the government is principally trying to help out.

The member stated that the statistics proved that we have no housing policy. As I've said before, I think that we could have done more in the field of housing. However, I think that the performance the last year very clearly indicates that we do have a housing policy, and a very vigorous one right now. The MHRC produced roughly 20,000 units. Pardon me, 2,000, I'm now giving too much credit to the Minister. The program wasn't quite that vigorous. MHRC produced roughly 2,000 units which were committed, not built, the funds for which were committed last year. And as I recall, of those 2,000 units there were 400 or 500 I think which were for family housing. Am I incorrect, Mr. Minister, or roughly correct? In that range. Far less than half of those units were for family public housing.

And in spite of what the honourable member may say about our program being monolithic, about our being obsessed with producing public housing, about our having a single-track program which produces only public housing, I think that if I were to criticize the program last year, I would criticize it for producing too few family public housing units. Now, I know there were obstacles that resulted in that situation and I hope

RESOLUTION 7

(MR. JOHANNSSON cont'd) some of those obstacles can be overcome. I hope that we can produce a great deal more in the way of family public housing, and in spite of what the member said about the faults with the proposal call system, I think that that is one method, and probably the only method by which we're going to get any substantial number of family public housing units built in the coming year.

The member, as I said, has claimed that we have a monolithic approach, that we are only concerned with building public housing. And as I recall the statistics show that over the last seven years we have built something less than 10,000 units in total. I would think that less than half of those are family public housing. I imagine that the total number of housing units in the province would be, what, 300,000? We have perhaps 5,000 public housing units out of 300,000 units, which means that in percentage terms perhaps one or two percent of the housing units in the province are family public housing. Now I think that's a disgrace. In Scandinavia, in Sweden roughly a third of the housing units are co-op, roughly a third are municipal or public housing, and roughly a third private sector. That is a fairly sensible arrangement.

MR. SPEAKER: Order please. The Honourable Member will have eight minutes the next time. I'm now leaving the Chair the hour being 5:30, and the House will resume at 8 p.m. in Committee of Supply with the Chairman of Committees in the Chair.