

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 14, 1978

Time: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Before we proceed, I should like to draw your attention to the gallery where we have 50 students of Grade 9 standing from Rivers Collegiate under the direction of Mrs. Greta Cook, Mrs. Odette Wright, Mr. Doug Young and Mr. Ernie Janzen. This school is located in the constituency of the Honourable Member for Virden.

We also have 20 students of Grade 9 standing from the John W. Gunn School, under the direction of Mr. Hilderman. This school is located in the constituency of the Honourable Member for Transcona.

We also have 20 students of Grade 6 standing from the West Lynne Heights School. These students are under the direction of Mrs. Chand and Miss Villafana. This school is located in the constituency of the Honourable Member for Churchill.

We also have 20 students from Assiniboine Elementary School, Grade 4 standing, under the direction of Mrs. Maxwell. This school is located in the constituency of the Honourable Member for St. James.

On behalf of all the honourable members, we welcome you here today.
Presenting Petitions.

READING AND RECEIVING PETITIONS

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

MR. CLERK: The Petition of Thistle Curling Club Limited praying for the passing of An Act to amend An Act to incorporate Thistle Curling Club Limited.

MR. SPEAKER: Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . .

INTRODUCTION OF BILLS

HON. KEITH A. COSENS (Gimli) introduced Bill No. 57, An Act to amend The Public Schools Act, and Bill No. 58, An Act to amend The Department of Education Act. (Bill No. 57 recommended by His Honour the Lieutenant-Governor.)

MR. J. R. (Bud) BOYCE (Winnipeg Centre) introduced Bill No. 59, An Act to amend The Milk Control Act.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. EDWARD SCHREYER (Rossmere): Mr. Speaker, my question is to the Minister of Education and possibly in subsequence to the Minister of Consumer Affairs. That is to ask the Minister of Education if it has been brought to his attention that in the school district in the northeastern part of Winnipeg, River East School Division, that in the construction and sale of a subdivision of a number of homes that advertisements were placed indicating that a school would be built in the neighbourhood at the time of the advertising and sale of these homes and that subsequently, on a decision presumably of the Public Schools Finance Board, no financing is forthcoming for the construction of said school and as a consequence homes have been purchased based on a premise which has not materialized. Can the Minister say whether this has been brought to his attention as yet?

MR. SPEAKER: The Honourable Minister of Education.

MR. COSENS: Mr. Speaker, I'll take that as notice and investigate.

MR. SCHREYER: I would also ask the Minister of Consumer Affairs to perhaps take it as notice and under consideration whether such a sequence of events would in any way constitute a problem or an infringement under existing legislation with respect to advertising standards in truth in advertising.

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HON. EDWARD MCGILL (Brandon West): Mr. Speaker, in reply to the Leader of the Opposition, I can tell him that this matter has not been brought to my attention. I will take his question as notice.

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. BOYCE: Mr. Speaker, a question to the Minister of Labour. In light of the fact that the Federal Government has said that the country can afford to increase the pay of our senior civil servants to the effect that those earning \$28,000 receive 8.5 percent and those receiving over \$70,000 receive 3.4 percent, will she consider recommending to her colleagues that they raise the minimum wage?

MR. SPEAKER: The Honourable Minister of Labour.

HON. NORMA L. PRICE (Assiniboia): The subject of the minimum wage, Mr. Speaker, is under review.

MR. BOYCE: Mr. Speaker, in light of the fact that we've had this review for some eight months now, and since the accumulative price increase in beef is 52-½ percent, 10-½ percent last month, would the Minister see if she cannot expedite that review?

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I'd like to direct a question to the Minister of Education. Is the Minister of Education considering a new policy whereby aliens residing in the Province of Manitoba will not be able to send their children to school without paying a special fee to reflect the cost of education?

MR. SPEAKER: The Honourable Minister of Education.

MR. COSENS: Mr. Speaker, at this time in answer to the Member for Inkster, there is no such policy under consideration.

MR. GREEN: Mr. Speaker, I'd like to direct a question to the First Minister. Mr. Speaker, in view of the fact that the Minister of Education has no intention of charging aliens for school admission, and the government policy which would reflect the fact that alien students here would have to pay their own medical care costs, has the Minister checked to see whether the Federal Government will permit the Province of Manitoba under the medical cost-sharing formula, to treat people living in Manitoba differently depending on whether they are aliens or citizens of the province?

MR. SPEAKER: The Honourable First Minister.

HON. STERLING R. LYON (Charleswood): Mr. Speaker, in response to the Member for Inkster, I suppose he is searching for that elusive quality of consistency that is not always applicable to policies of the previous government or this government, but I can tell him — and this is only by hearsay — that the policy adopted by the government with respect to medical fees being paid by non-resident or alien students in Manitoba is a policy that I am informed — and it's only by hearsay — is followed in five or six other provinces in Canada. So I presume that it carries the imprimatur of the authorities in Ottawa if indeed they are concerned at all about provincial matters of that sort.

With respect to the word "consistency," he will recall one of the previous holders of this office once being asked a question as to why the government's policy with respect to (a) matter or (b) matter was not consistent. The First Minister of that day responded in words which I have always

found to be entertaining if not totally accurate, that consistency was sometimes the refuge of the mediocre mind.

MR. GREEN: Mr. Speaker, I wonder whether the First Minister would, as a corollary, say that inconsistency is a quality of a brilliant mind.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Thank you, Mr. Speaker, I'd like to address a question to the Minister of Health, which is a follow-up to the question asked by my colleague from Inkster. Has the Minister of Health considered whether there would be any adverse effects on Canadian students who reside in the United Kingdom for a year or two to engage in graduate studies at those universities by the government of the United Kingdom with regard to free Medicare, which they do now obtain?

MR. SPEAKER: The Honourable Minister of Health.

HON. L.R. (Bud) SHERMAN (Fort Garry): I'm not sure whether the honourable member is asking me whether I have ascertained it or whether there will in fact be adverse effects. The answer to the first question, if that was the first question, is yes, and the answer to the second question is no, Mr. Speaker.

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

MR. GREEN: Mr. Speaker, I have a supplementary to that question if I may?

MR. SPEAKER: The Honourable Member for Inkster with another question.

MR. GREEN: Yes, Mr. Speaker, my supplementary is to the Minister of Health. Is the Minister of Health considering making the policy of aliens paying their own medical bills applicable to executives living in the Province of Manitoba, non-citizens who are here as branch office executives of companies not resident in the Province of Manitoba — excuse me, companies whose head office is not in the Province of Manitoba?

MR. SHERMAN: No, Mr. Speaker, not in that sense or that category. The Medical Insurance legislation applies to residents as distinct from visitors and the Federal Department of Manpower and Immigration has a very specific definition of both terms, residents and visitors. A resident does not need to be a citizen.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Speaker. This is supplementary to my original question. Would the Minister undertake to look into the matter to see whether there would be some adverse effects, or could be some adverse effects on the many many Canadian or Manitoba students who do go to the United Kingdom to engage in graduate studies at British universities and see to what extent that this might be a problem for us?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, I cannot speak for students from any and all parts of Canada, but our primary concern surely here in Manitoba is for students from Manitoba and students from Manitoba who carry Manitoba Health Insurance cards carry them and utilize them whenever they need them wherever they are in the world.

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

MR. GREEN: Mr. Speaker, I think that the Honourable Member for St. George is willing to have

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I direct a question to the Honourable the Minister of Health. Is the Minister considering making his policy applicable to other visiting people including visiting executives

in the same way as he is making it applicable to visiting students?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: No, Sir, but we are making it applicable to persons such as professional athletes, football players and persons in that category who come in to Manitoba to provide their professional services on a temporary basis.

MR. GREEN: Mr. Speaker, I wonder if the Minister of Health can tell us why he is not making it applicable to visiting executives, except from the fact that this might be a sign of a mediocre mind.

MR. SHERMAN: Mr. Speaker, without getting into a comparison of minds and relative distinctions between minds, I can only say to the Honourable Member for Inkster that I'm proceeding on the basis of legislative terminology and definition and a person under the legislation is described as a resident of Manitoba if he or she has been residing in Manitoba for more than a year and, therefore, can be considered in the normal framework of time to be ordinarily resident of the province. —(Interjection)— Mr. Speaker, the honourable member has asked me a supplementary and says, "That applies to students as well." These students are specifically defined by the Federal Department of Manpower and Immigration as "visitors."

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

MR. BILLIE URUSKI: Thank you, Mr. Speaker. I would also like to ask a question of the Minister of Health. In light of the Tory pronouncements of the need for acute protracted restraint and in view of the fact that you have held hospital budgets to 2.9 percent while increasing doctors' budgets by 6.6 percent, is the Government of Manitoba intending to follow the lead of the B.C. government in having patients sign cards to prove their doctors have seen them?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: That subject has never been contemplated or discussed, Mr. Speaker.

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

MR. D. JAMES WALDING: Thank you, Mr. Speaker. My question is to the Honourable Minister of Consumer and Corporate Affairs. Does the Honourable Minister have any statement to the House concerning the rise in the consumer price index figures which I understand were made public today?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

MR. MCGILL: Mr. Speaker, the Member for St. Vital is referring to the announcements I believe today of particularly the increase in the cost of food and I have no doubt that the member is aware as we are, of the special factors that were involved in the increase which was reported for the month of May. We, like his colleagues, hope that these factors will not recur but nevertheless, the factors were somewhat unusual and we are as concerned as his group are at this increase.

MR. WALDING: Thank you, Mr. Speaker, a supplementary. Can the Minister confirm that the annual inflation rate as measured by the consumer price index is now up to 9 percent again?

MR. MCGILL: Mr. Speaker, I cannot confirm that. I imagine that he is basing his numbers on statements which have been reported in the press and I have no other information other than that.

MR. WALDING: Mr. Speaker, a final supplementary. Can the Minister confirm that the consumer food index based on figures available for the latest month, are now rising at an annual rate of 25 percent?

MR. MCGILL: Mr. Speaker, I have no other figures other than those that are available to the Member for St. Vital.

MR. SPEAKER: The Honourable Minister of Mines.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, last Wednesday a question was taken as notice by the First Minister on my behalf. It was placed by the Leader of the Opposition and inquired as to whether Members of Parliament were being encouraged to circumvent, as it were, Parliament were informed of developments with respect to the Garrison situation and were being encouraged to take whatever action they considered appropriate.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Yes, and that is to ask the Minister whether, in light of the particular press report which was, to be specific, an article by Mr. Mackie of the National Parliamentary Press Gallery, indicating that Manitoba Members of Parliament — he didn't specify which ones — were contemplating going outside of Government of Canada channels and making direct representations with respect to Garrison to Congress, whether the Minister says that no effort was made, I gather, by him to encourage such a course of action.

If the Minister's answer is, "No," I would ask him whether he can confirm — based on his discussions with Manitoba Members of Parliament — that this indeed is accurate and that this indeed will be taking place. Can he advise if he is aware of that?

MR. SPEAKER: The Honourable Minister of Mines.

MR. RANSOM: Mr. Speaker, in my answer I said that I was informing members of recent developments as I informed the Leader of the Opposition because of the importance of the particular circumstances. I had informed some of the Members of Parliament who had been expressing an interest in it as to these developments and encouraged them to take whatever action they considered to be appropriate.

I'm not familiar with the details of protocol with respect to individual Members of Parliament in the action that they might take. I was simply informing them of what I considered to be an important development and asking them to take whatever action they considered to be appropriate.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Mr. Speaker, I have a question for the Minister responsible for Housing.

MR. LYON: . . . the member if I could make a supplementary response to that made by the Minister of Mines?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Thank you, Mr. Speaker. As a supplement to what the Minister of Mines has said in response to the Leader of the Opposition, Mr. Speaker, I can advise the House that after discussion through officials with the Department of External Affairs, that I have communicated by letter — copies of which will be made available to members of the House tomorrow — with the Majority Leader in the U.S. Congress and with the President of the Senate, the position in brief form naturally of Manitoba vis-a-vis the Garrison situation merely to inform them of the particular concern of the Province of Manitoba.

This letter was transmitted yesterday I believe, and through the proper sources of the Department of External Affairs as well as directly to the persons in question. I'll be happy to table the letter tomorrow.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I wonder if in light of the First Minister's statement if I might ask him a question pertaining to it. In submitting the letter, was there any intention or indication that members of this government and in company with federal officials would be prepared to meet with Congressional leaders in the United States to further discussions beyond this letter to elaborate upon the position of the province and indicate our concern in relation to the proposed development that is taking place, or the appropriation money, rather, that is proposed to be taking place?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I regret that I don't have a copy of the letter in front of me which would be self-explanatory in that regard. I do not recall it containing any particular reference to such a meeting but rather informing in general terms recipients of the peculiar position of Manitoba vis-a-vis Garrison.

I can say to my honourable friend, however, that subject always of course to the Department of External Affairs and the submissions that they in turn have been making to the national government in Washington, and in concert with the federal authorities and not unilaterally on our own, but rather as a concerted part of the effort of Canada, that we would be quite happy to undertake such meetings if the federal department and if our own sources indicated to us that they would be in any way productive with respect to the appropriation that we expect will be before Congress with regard to Garrison.

MR. AXWORTHY: A supplementary then, Mr. Speaker. In line with this kind of initiative, would the First Minister consider communicating as well with the Chairman of the International Joint Commission to ascertain whether the Commission itself is going to accelerate or attempt to accelerate the responsiveness of particularly the United States Government to the original IJC proposals, which I think are now close to six months old, to determine whether the IJC could be brought back into the picture and provide some further adjudication of the matter, considering that it really has been placed in limbo for the past six months?

MR. LYON: Mr. Speaker, I'm speaking off the top of my head and from recollection only, but again that is a matter that would have to be canvassed with the federal authorities to determine whether under the Boundary Waters Treaty arrangements the IJC has any further function, or whether, as the lawyers would say, it is now *functus officio*, it's a job having been done.

I am not in a position to give an opinion on that matter. It's well worth looking into and if there is any other productive role in this matter, or ongoing role that the IJC could perform, then of course we would be extremely happy to see them perform that role through the aegis of the Federal Government in Ottawa.

MR. AXWORTHY: A final supplementary, Mr. Speaker, either to the First Minister or the Minister of the Environment, to determine whether in light of the proposed appropriation that would initiate the construction of the reservoir in North Dakota, has there been any effort to reconvene the meeting of experts, or the committee of experts, that are designed to look at the possible implications or the technical aspects of this question, so that further evidence can be produced as to what that particular item of construction might result in if it was to go ahead? And would there be such a report being prepared or be prepared to add further weight to the case that's being made?

MR. SPEAKER: The Honourable Minister of Mines.

MR. RANSOM: Mr. Speaker, the committee has not been reconvened and I don't think that it's necessary to reconvene the committee in order to be aware of the implications of the construction of the Lone Tree reservoir, in that once the Lone Tree reservoir has been constructed and water has in effect been transferred from the Missouri Basin into the Hudson Bay Basin and the whole question of the introduction of exotic biota hinges on that transfer, and I think that is adequately dealt with in the technical reports that are available at this time.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Mr. Speaker, my question is directed to the Minister without Portfolio responsible for MHRC. Does he have any progress, or lack of progress, to report to the members of the Legislature arising from the Ministerial Conference on Housing that he's just returned from?

MR. SPEAKER: The Honourable Minister of Housing.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Well, Mr. Speaker, I'd like to report that there was a lot of progress made at the meetings. There's no questions that the meetings were necessary because our officials had been meeting for two and a half months, or better, nearly three months and there were some questions that only the Ministers could answer and I believe a lot of them were settled at that meeting.

We had confirmation from the Federal Government that we would have 50-50 sharing on our projects and on our programs as we have had before. Their new projects will be different from the past but we have a guarantee of the 50-50 sharing. We also have an agreement with the Federal

Government that anything that would apply to rents or anything that would be done by rents will be done only with negotiation with them and will be phased in over a long period of time. The Federal Government did not stay with their position of 25 percent base on anything new; they changed that.

Other than that, there were some other sections of the Act which will remain and the programs which will be offered to us will be, we feel, as good as before although they are changed in some ways as far as administration between the two, MHRC and CMHC.

MR. PARASIUK: A supplementary to the Minister. Could he inform us whether rents in low income family housing or senior citizens' housing will be increased in the near future as a result of these discussions?

MR. JOHNSTON: We don't expect any increase — I say expect; we haven't been in negotiation with the Federal Government but it's not the intention of the Province of Manitoba to be looking at increases at the present time. There is a study being made by our officials regarding the calculation of gross income which was presented to us. It was not agreed upon by the provinces and it's being looked at by our officials, so the present formula will remain.³

MR. PARASIUK: A final supplementary. I asked the Minister this question because the implication from newspaper reports was that the rents in low income family housing and senior citizens' housing would be increasing. With respect to the proposals that are being considered for rent increases, is the Federal Government talking about increasing the rents to a ceiling of 25 percent of gross income, a base of 25 percent, or an average of 25 percent of gross income because there are very substantial differences between those three and they could affect the renters of low income family housing and senior citizens' housing quite substantially?

MR. JOHNSTON: As I mentioned, Mr. Speaker, the Federal Government was talking as a base of 25 percent on anything new. It was brought up by them, not us. The provinces, or at least the Province of Manitoba and others opposed that position. We said that we didn't want two rent scales and we didn't want to have any rent scales come in of that type immediately; they should be phased. The Federal Government has agreed that any discussions on increases will be phased.

The discussions regarding the calculations of gross income or how it's worked out are being discussed by officials. It was very unfortunate that the statements that came out of eastern Canada — I heard one on the radio that said rents would go up 50 percent and the province agreed. The Minister in Ottawa I believe explained that fairly well when he was discussing that subject; in the same paragraph or mouthful he was also discussing the 50-50 sharing, at the same time, and the 50 percent got mixed up in it and it got reported. I must say, I don't know why the eastern people reported it that way because anybody that would think that rents would go up 50 percent without a lot of discussion really wasn't thinking.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: Mr. Speaker, my question is to the Minister of Municipal Affairs. Can the Minister confirm that the Gillam Firefighters Association has replied in the negative to his latest suggestions as to how to resolve their mutual problem, and have once again requested his attendance at a meeting with the brigade in Gillam before their mass resignation becomes effective June 15 at midnight, and can he also indicate to the House his intentions in regard to that request?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. GERALD W.J. MERCIER (Osborne): Mr. Speaker, I have received no indication in my office from the Volunteer Firefighters Association.

MR. COWAN: Thank you, Mr. Speaker. Can the Minister indicate what action his department is taking to assure that the community of Gillam will have adequate fire protection in place when the mass resignation of the fire brigade becomes effective tomorrow evening at midnight?

MR. SPEAKER: Order please. May I suggest to the Honourable Member for Churchill that repetition in the question period does not lend to a good question period, and I would suggest that he leave out the repetition.

The Honourable Minister of Municipal Affairs.

MR. MERCIER: Mr. Speaker, my department will take no action. This is a matter that will have

to be resolved by the local council; that's why they were elected to carry out this responsibility. Mr. Speaker, the hangup that the council apparently has is that they wish to be paid ! for their services as a member of council and in addition be paid for their services as a member of the so-called Volunteer Firefighters Association.

The Municipal Act contains a prohibition against contracts by a member of council with the council, and that principle has been embodied in The Municipal Act for a good many years for very good reasons. There are many Volunteer Firefighters Associations throughout the Province of Manitoba who seem to be able to survive and operate without getting into this particular problem. I have written to the council, Mr. Speaker, outlining two alternative methods of handling this matter that the council may take. The question is now up to them to resolve this matter, and it's their responsibility to provide fire protection to the residents of their area and I would hope that they would live up to that responsibility.

MR. COWAN: I would just like to confirm, Mr. Speaker, that the Minister is indicating that he will take no action in regard to the mass resignation of the Volunteer Fire Brigade which is . . .

MR. SPEAKER: Order please. Order please. May I suggest to the honourable member that when he rises, he asks a question and not make statements. It is clearly improper to make statements during the question period. The Honourable Member for Churchill, if he has a question.

MR. COWAN: Thank you, Mr. Speaker. Do I understand the Minister correctly, that his department will take no action in regard to the mass resignation of the Gillam Volunteer Firefighters brigade tomorrow evening?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. MERCIER: Mr. Speaker, I am prepared to meet and continue discussions with the members of the council if they wish, but I am simply pointing out to the Honourable Member for Churchill, who doesn't appear to understand the principles of local government, what exactly the problem is.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I have a question for the Minister responsible for Housing, based upon his previous statements. Is he now prepared to state to the House whether Manitoba Housing and Renewal Corporation or some other agency of government will be undertaking or taking on the functions formerly provided by the local offices of Central Mortgage and Housing in the receipt of applications for low-cost housing and the inspection process, as is indicated in the new federal proposals where the responsibility devolves to the province? Does that indicate substantial numbers of new staff man years at the corporation or any other agency in the government that he may have in mind?

MR. JOHNSTON: I think I could answer it this way. In the discussions and in the agreements between the two of us, there will be what is called a lot of disentanglement because of duplication, approvals and all of that type of thing, that the province will have much more authority over, or much more freedom in when we are working on our housing.

The second question is 8 no; MHRC will be able to handle that if we have to do it.

MR. AXWORTHY: Well Mr. Speaker, could the Minister indicate when he expects to make a thorough announcement as to the exact procedures that should be followed in making application for low-income housing to MHRC as compared to the past in view of this disentanglement or devolution that is taking place between the federal and provincial governments.

MR. SPEAKER: The Honourable Minister Responsible for Housing.

MR. JOHNSTON: I'm having a hard time, Mr. Speaker, trying to understand what the member means by applications. I don't think the request or application for low-income housing or for a town or a city to be asking for more senior citizens' or public housing will change in any great respect. The changes will be in the procedures that we had to go through with the Federal Government previously which was many approvals and many duplications of inspection of drawings and all of that type of thing. Those things will be made a lot easier, let's put it that way.

MR. AXWORTHY: I'm having an equal time understanding how the province is prepared to deal

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with this new responsibility so let me ask the question this way. Considering that the whole area of non-profit and co-op housing applications now must go directly to the province rather than to the Federal Government and considering that applications under the new community services packages will now be going to the province rather than the Federal Government, how does the province intend to set up the criteria and the procedures in which this new form of application, inspection and approval will be undertaken so that both the municipalities and the non-profit corporations which are expected to carry a much heavier load in housing, will know how to proceed? Furthermore, does the province intend to provide any additional support to the non-profit sector as is expected under the new Act to enable them to start work in the low income field as announced by Mr. Ouellet, the Federal Housing Minister?

MR. JOHNSTON: Just so the member will be able to understand it, we'll be able to handle it at MHRC without any problem.

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

MR. WALDING: Thank you, Mr. Speaker, my question is to the Honourable Minister of Consumer and Corporate Affairs. Further to my questions earlier on the consumer price index and the consumer food index, would the Minister undertake to obtain the figures both nationally and provincially and report back to the House?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

MR. MCGILL: Mr. Speaker, I believe these are publicly available. If the member is having difficulty in obtaining them, I should certainly like to assist him.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. MERCIER: Mr. Speaker, on May 15, I was asked by the Honourable Member for Inkster whether members of this Legislative Assembly were investigated or surveyed by the RCMP during the last 18 months. Mr. Speaker, I've been assured by the Commanding Officer of the RCMP in Manitoba that the answer to that question is no.

MR. SPEAKER: The Honourable Minister of Labour.

MRS. PRICE: Mr. Speaker, on June 6, the Honourable Leader of the Opposition asked me some questions regarding Mr. Duncan the former Civil Service Commissioner. He asked me if he was still a member of the Civil Service Commission — yes he is. He is not a member of the Civil Service any longer for the simple reason he chose to go on Civil Service superannuation and as such he's not a member of the Civil Service anymore. He had been contacted with regard to attending a meeting of the Civil Service Commission and he said that any future liaison with him would have to go through his lawyers. That's the extent of it.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Supplementary question. The Honourable Minister's reply was to the effect that he is still a member of the Civil Service Commission, — — — but not a civil servant Mr. Speaker, in light of that reply I'd like to ask the Honourable Minister if Mr. Duncan was sent on December 16 a letter which indicated that he was being sent two weeks pay in lieu of notice.

MRS. PRICE: I will have to take that as notice, Mr. Speaker. I do know that he was contacted with regard to his intentions and that he was the one that had said that he was choosing to work through his lawyer and to take his retirement.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE: Mr. Speaker, may I on behalf of the press gallery make a non-political announcement and remind the members of the Gallery's Annual Reception today at 5:30 p.m. in Room 247. The members should also be advised, the reception does not begin until the stories have been written, so the more the MLAs talk the longer they wait for the reception doors to open.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I'd like to direct a question to the Honourable Minister of Health. Mr. Speaker, is the Minister able to confirm or does he wish to deny that the students allege that he has refused to meet with them to discuss the question and the policy relative to visiting students in our province not being able to obtain the same Medicare benefits as other residents?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHEAN: No, Mr. Speaker, I do not feel constrained to confirm that; rather I feel quite legitimately constrained to deny it. I had received no direct requests that my office knew about to meet with students connected with this question in an official way during the time that the subject was under discussion formally and informally and following the time that the Honourable Member for Inkster first asked me a question about it in the House.

When the decision was announced, there were calls and letters from some student representatives asking for a meeting. I have responded by assuring them that I will meet with them just as soon as it's practical for themselves and myself. I have met with the President of the University of Manitoba in the interim and discussed the subject with a foreign student advisor in the interim, but I haven't officially met with any students.

MR. GREEN: Mr. Speaker, then will the Minister enlighten the students that the letter that they are sending out on June 12, 1978 — which is the only notice I have of this matter — is to his mind incorrect and that he will be willing to meet with them I give the member a copy of the letter so that he will not be maligned wrongfully as contained in the letter.

MR. SHER of N: Thank you, Mr. Speaker, I appreciate the consideration the Honourable Member for Inkster. I have received a copy of that same letter just today, it's on my desk today and I'm intending to respond to it, thank you.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSEN: Mr. Speaker, will you call second reading of Bill No. 31 standing in the name of the Honourable the Attorney-General. Bill No. 31 — the Honourable Attorney-General.

SECOND READING — GOVERNMENT BILLS

BILL NO. 31 — An Act to Amend The Personal Property Security Act.

MR. MERCIER presented Bill No. 31, An Act to Amend The Personal Property Security Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, I'll deal fairly briefly with this bill. The first section of the bill allows registration of a financing statement without signature of the debtor if the debtor has previously signed a security agreement. This preserves the concept, Mr. Speaker, that nothing can be registered without the debtor's acknowledgement while at the same time easing certain administrative problems.

The second section of the Act makes it clear that the signature of a transferee is not required when registering a transfer of collateral by the debtor. I believe this was the intent of the legislation when it was originally passed, but some confusion has arisen over it and we merely wish to confirm that.

Section 3, again allows registration of an amendment statement without the signature of the debtor if the debtor has previously signed an amendment to the Security Agreement.

MR. SPEAKER: The Honourable Member for Kildonan.

MR. PETER FOX: Mr. Speaker, I beg to move, seconded by the Member for St. George, debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Take the remaining bills in the order in which they appear on the Order Paper starting with Bill No. 14.

ADJOURNED DEBATES — SECOND READINGS

BILL NO. 14 — AN ACT TO AMEND THE INCOME TAX ACT (MANITOBA)

MR. SPEAKER: The Honourable Member for Kildonan.

MR. FOX: Thank you, Mr. Speaker. I intend to be very brief on this bill. This bill, I have to indicate, that I cannot support.

The Honourable Minister of Finance when he introduced it, indicated that this was going to be a relief to individuals and small businessmen. Well, unfortunately, the kind of things he says and the kind of things that have occurred do not coincide. I don't know where the relief for individuals is going to come, especially those at the bottom of the income or economic ladder. Small businesses may get very very minimal amount of relief but it won't amount to very very much.

He's going to rekindle the investors' and the consumers' confidence. Well, you know, the thing that one questions is how he's going to do that when the First Minister says that the private sector is now on trial. Whether that is going to give him confidence or whether it's going to be a goat, or as a form of intimidation, I do not understand.

The other issue is in respect to consumers. I don't know how consumers can be asked to have a greater confidence when those who would immediately spend their money that they would earn one way or another and put it back into the economy are being kept down by the minimum wage not being raised, also by the kind of guidelines that have been created in respect to the economy in negotiations between the Civil Service, and also in the kind of allocations that have been made in respect to the health services and a number of other areas where there has been a lesser amount allocated in respect to these people as compared to the cost of living rise and the inflationary pressure which is continually increasing. Even today, during the Question Period, it was indicated that the consumer cost of food has increased tremendously, yet there is no compassion on that side to help those people out who need it the most. The consumers only have a certain amount of money as a total group and the higher the cost of living goes, the less money they have in order to spend on the necessities of life.

He has also indicated that there is going to be legislative authority in this bill to take advantage of the Federal Government in regard to the two-thirds of the sales tax reduction. Now this is very very good but I would like to know how he is going to measure the effects of that, what kind of parameters will he use to say that really the reduction for six months has been a benefit. I do recall that when Ontario had reduced their sales tax after a period of time, they were not able to really indicate whether it did have an effect or did not have an effect and whether this relief for Manitobans will in essence be of relief to the majority or just to some and whether it will really create purchases for Manitoba goods or will it create purchases for areas that manufacture some of the commodities that people buy and therefore would really be of no value to Manitobans as such.

The personal two-point reduction that he brought into legislation in this tactic, Mr. Speaker, also again indicates that the trend of this government is not to help those who really need the assistance but to help those who already have. The 2 percent on a percentage scale aids those most who have the greatest amount of income so, therefore, again, it is the reverse of what is necessary at this time and that's another reason why I cannot support this particular bill.

One other thing that has come about through this government's direction and thrust with respect to the economics of where they are heading has been the fact that all of their restraint that they have created has created a pressure some place else. It has created user fees. It has increased the cost of tuition to universities and commercial colleges. It has increased the taxes on the municipal level because there has been less money allocated in that regard. It has increased the pressure on the institutions such as the health institutions, where they have had to cut down in a number of ways in order to alleviate their expenses, which are constantly rising because this government's direction has been for restraint and costs first and needs of people last. I think that is one other reason why I cannot support this bill.

The sales tax is also a sell-out and an election gimmick for the Liberals. They are the ones who instituted it. Yes, belatedly the First Minister declared that they had their arm twisted but, nevertheless, he went along with it. It wasn't necessary for him to go along with it. He could have proposed his own particular formula the same as the Quebec Finance Minister has done. I'm not

saying that I'm in agreement with the Minister of Finance in Quebec but at least it would have indicated that our Minister of Finance and our government had some intestinal fortitude of their own with respect to how they wanted to manage their economy but they didn't; they only cried afterwards when it was *afait accompli*.

Again, I wish to say that I don't know that a 3 percent reduction in the sales tax is going to be of much benefit in motivating the economy. As I indicated a moment ago, there is only so much purchasing power in the province and the 3 percent will not apply to many items that are staples that people utilize constantly: food, and shelter; these are the things that are not attributable to the 3 percent. The fuel tax is not abated; the taxes with respect to home ownership are not abated. Therefore, I really do not believe that the 3 percent is going to stimulate the economy very much.

There could be a lot more reasons, Mr. Speaker, that I could enumerate but I think those are sufficient to indicate that I just cannot support this bill. Thank you very much.

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

MR. LLOYD G. HYDE: Mr. Speaker, I wish to make a few comments on Bill No. 14 at this time. I would like to begin by congratulating the Minister for bringing in the personal and small corporate tax deductions which were promised by the Progressive Conservative Party during the election campaign. It is a major indicator of our intention to carry out the promises which were made to the electorate of this province.

The members opposite have continually referred to the payments of debt by this government. This is a lot of nonsense, Mr. Speaker. We only promised one debt to the people of Manitoba. That is what they expected, the action of our party on the promises of restraint in the government spending to reduce the taxes so that the private sector can have a healthy environment in which to grow and provide jobs for the Manitobans. The taxpayers of this province were crying out for relief of excesses in spending of the previous government in this province, and the current government in Ottawa and I predict, Mr. Speaker, that the government in Ottawa will very shortly be in opposition, and for many of the same reasons the NDP government were in this province.

Mr. Speaker, the taxpayer has had enough. Major magazines have had front-page stories dealing with unrest among taxpayers. The voters of California have drastically and emphatically told the politicians of that state what their feelings on this issue are. I compliment this government for being in the forefront of this groundswell in society. I think most Manitobans are welcoming the reduction in the small corporation tax. These relatively small, often one or two-person corporations, are a major business and investment source in this province. It is only good economic sense to provide them with the increased investment capital needed for the continued growth in our economy. Members opposite would have us believe that decreasing small corporation tax is somehow a giveaway to the wealthy; what they fail to recognize or refuse to recognize is that the bulk of that money would naturally be ploughed back into the business. The members opposite are, in effect, arguing we should restrict productivity in the private sector and concentrate on the public sector. It should be noted here, Mr. Speaker, that they should encourage private sector growth because that growth would result in increased tax revenue to the province. The province would then be in a better position to provide those essential services required.

No one on this side denies that the health care services and other publicly sponsored aid services are necessary; however, we must always keep in mind the cost. It is our obligation, Mr. Speaker, to provide what we can, but we are looking bankruptcy in the face if we must bring in other considerations. A province with Manitoba's limited financial base cannot, in the short run, hope to compete in this regard with richer neighbours, and putting the province in the hole debt-wise is not the answer. The answer, as presented so capably by the Minister of Finance, is production of the income-producing sector so that tax revenues and economic growth can be increased to the point where we can afford all that we would like to see.

As an example of private enterprise providing economic benefits, I will draw to the members' attention the recent sod turning of the Manitoba Inn in Portage la Prairie. This project includes hotel and business facilities along with a large range of indoor and outdoor recreational activities for the benefit of the citizens of Portage la Prairie and area. This project will provide many jobs in the construction trades while it is being built, and many more in service and related trades after it is built. There will also be considerable effect on the general economy of the area because of wages paid and spent in the area. I could also add the tax revenues which would be collected for the necessary government purposes. The key point here, Mr. Speaker, is that this is a private enterprise which will be providing jobs for Manitobans. Members opposite seem to forget that when the public sector does the same task, it is spending public money to create those same jobs. In other words, the government is taking from one part of the private sector and working it through the bureaucracy to spend it in another part of the private sector.⁷

Mr. Speaker, I don't claim to be an economist, but though I must say that anyone who runs a farm nowadays is about as good an economist in his own right as you can get, but I must say, Mr. Speaker, that putting money through all these extra stages only causes more expenditures through the salaries and other payments to government bureaucracy. I know that the net result of this government's tax-cutting measures will be an increased amount of money being added to the investment capital available in the province, as well as extra funds being available for consumer spending.

I would like to conclude by saying that we all agree that the disadvantaged in our society should be taken care of, and I say this in spite of, or perhaps because of the comments made by the Honourable Member for Churchill regarding fascism. I and several other members in this Chamber fought a war against fascism, so that younger men, like the Member for Churchill, can stand in a free Legislature and make outrageous remarks about our intentions. I feel that the government must play a role in our society to make sure everyone has food and shelter and basic health services, but this must be tempered by a realization of how much we can afford. Mr. Speaker, we have to weigh how much we are willing to tax our people against the weakening effects of excessive taxation on our economic system. Our economic system can only take so much before it becomes overburdened and stagnant.

The Prime Minister of Britain, a Socialist, has recently stated that the people are demanding less taxation and he must be prepared to give it to them. The last national election in Sweden elected a party which promised reduced taxation. The NDP keeps telling us how far in the lead of our society it is, but the evidence shows otherwise. They are falling further and further behind contemporary society, and this will become very evident when the taxpayers send them another message in the next election.

Mr. Speaker, I will be supporting this bill, and I thank you for this opportunity.

MR. SPEAKER: The Honourable Minister of Finance will be closing debate. The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, I move, seconded by the Minister of Consumer Affairs, that debate be adjourned.

QUESTION put, MOTION carried.

BILL NO. 25 — THE CATTLE PRODUCERS ASSOCIATION ACT

MR. SPEAKER: Bill No. 25, The Cattle Producers Association Act. The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON: Thank you, Mr. Speaker. I would like to make a few comments on Bill 25. The spark seems to have kind of gone out of this issue. It started out kind of contentiously but it seems to have cooled considerably, maybe it will re-flare. In any event, I think that the bill is a good bill. I think that the majority of the cattle producers of the Province of Manitoba are asking for this bill and do want a united voice on the issue. I believe that to do this, the association will have to be funded and I don't think that there is any doubt that the cattlemen are willing to fund their own organization.

There have been a few things that apparently have been a little bit contentious — this is some of the regulations. The Minister has indicated that he has no hangups in the fact that he would be quite willing to accept amendments to the bill. The boys across the way are saying, "Well, wait until Law Amendments or wait until it goes into committee." I'm sure that the Minister will be quite prepared to listen to those who appear. He will weigh their presentations carefully and if he feels that there should be some amendments made, I don't think that he will have any hesitation in doing so.

I believe that the majority of the cattle producers in the province trust the present Minister and I'm sure that the former Minister of Agriculture would have had no problem putting the same kind of a bill through, but under the table there always was that lurking little — I don't know what you would call it — premonition or something that really all the Minister was after was a compulsory livestock marketing board, and the word came through loud and clear to the cattlemen that this was what was going to happen and this is why they had no faith in the Minister and they more or less turned down his proposals. —(Interjection)— Let them vote on it. Well' Mr. Speaker, I don't think that there's any problem here at all. As with all boards, the first boards are appointed, then they are followed by an elected board. This one, of course, will be no exception. The province, as the bill states, will be divided into 14 areas. Following the forming of that board, then the elections will follow. No check-offs will be made; no money will be deducted until such time as it is by an

elected board. I don't particularly think that we should be running to the people everytime that something comes up. We spent a quarter of a million dollars now on votes that really haven't meant that much and I don't think that there will be any particular problem when this particular board is elected, that they will follow along with what the cattlemen's desires are without the heavy hand of government hanging over them. If the people and the members across the way seem so concerned and so sure that this particular undertaking isn't going to work and that the cattlemen don't want it, well it can easily be cut off because you have the opportunity of getting your money back. If there is no money to run the thing, it will automatically close down, which would be an indication, of course, that it was not wanted.

The fact is that there may be some amendments required. I can recall when The Farm Machine Bill came in, and I believe there were more amendments to the bill than there were clauses in it. —(Interjection)— Well, the present Minister of Agriculture, I'm sure, will have no problem at all. I'm sure there won't be that many amendments but they certainly will be meeting the criteria of what the cattle people of the province want.

A couple of the speakers across the way, the Member for St. George, was terrified that when he took his cattle to market that if he opted out of this scheme that he would be discriminated against. I believe one other speaker made the statement also. I don't know which one it was, probably it would be the Member for Ste. Rose if he spoke. But, in any event, here again we have that great socialist fear that, you know, somebody is going to do something to you if you don't follow the common line which, of course, is a bunch of nonsense. I'm sure that no cattle buyer or auction mart is going to take the time to say to the buyers, "This is so-and-so's cattle and he is opting out of this so we want you to penalize him to a degree." I think they've got a lot more things to do than that.

We find that our good socialist friends in Saskatchewan have the same beliefs as our former government had, whereby the association there were not allowed to control their fund. I would like to read just a little item here to do with the Bill 73 — I guess it's now law in Saskatchewan: "The Minister, without consulting producers or the board, has chosen to introduce drastic changes in the legislation at a time when farmers are busy on the land." Now all he was doing — Mr. King, the Minister of Agriculture in Saskatchewan, was taking control of the fund without a vote by the producers. That great socialist outfit in Saskatchewan saw fit to take over the funding without a vote, without anything.

Here we are, appointing a board and then having an elected board, they are going to set the rules and regulations of the game, not through government regulation but by their own common sense and consequently, I think it will be far more successful. I don't think we'll be slicing through the vast amounts of bureaucratic red tape that seems to become involved in every government undertaking. You can take the several boards that we have handling milk; you can take the many supply-management situations we find ourselves in: the egg producers, . . . well, you've got milk, eggs, pork, the whole issue. But I do feel that this is one of the only industries that are not speaking with a united voice and I believe this is an opportunity for them to get together, have a liaison, which we are going to have to have with the consumer. We are aware of the fact that now the price of beef has made a bit of a move that we are going to run into some consumer resistance. The facts are going to have to be explained and this will be one of the particular undertakings or functions of this board. We have quite a vocal group that are opposing it. The amount of cattle involved by this particular organization, I don't know what it would represent in the province, but my guess would be that it would be a very minute amount to say the least. I don't think that we have to go very far to recognize — and I'm talking about the National Farmers' Union — the fact that it is the political arm of the NDP government and they are an organization who choose not to reveal what their membership is and basically what their aims are. —(Interjection)— Basically, yes, they may be paying their debts to the Minister of Agriculture who funded them \$20,000 a year. He didn't see fit to fund some of the other organizations but I guess this probably is much along the same line as we're supposedly practicing with Great-West Life or something along this line.

Now, Mr. Speaker, I don't believe that I have a great deal more to say. I certainly believe in the principles of this bill. I think it is going to fill a void that has existed and I'm sure that when the board is elected and the machinery is in place, that we can look forward to at least a united voice speaking for the cattlemen and I'm sure that they will prove themselves to be very responsible people as they have in the past. Thank you. .

MR. AXWORTHY: Am I recognized, Mr. Speaker?

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I'm sorry, when you're the only one left, when you

anonymous, you really know you're in trouble.

I'm rising with some reluctance because in my new-found position as the agricultural critic for the Liberal Party, I thought I might have a longer apprenticeship to serve in learning the crafts of this trade before I had to make my maiden speech in this very difficult and tortuous area which normally occupies so much time and interest of members of this House. But Mr. Speaker, I was piqued to action by the Minister of Highways who issued some weeks ago a challenge to me directly which I felt that I could not resist, and that is to somehow declare or plight my faith on this particular issue, at least on behalf of members of the Liberal Party. And I felt that in so doing — I apologize to the Minister of Highways. I know I've kept him waiting on pins and needles all these many months and days — I did feel I owed it to members of my own party to take them into counsel and test out their opinions as he advised that I do. And I think it was worthy advice, and it may be the first, perhaps maybe the last time that I take large merit on the Honourable Minister's advice, but I think in this case it was certainly worth doing, because I found out that the bill has created a fair degree of interest on the part of members in rural Manitoba and those in the beef trade.

I've also found, to some matter of interest, Mr. Speaker, that it has been of some abiding interest to those in city areas who, as they trot themselves off to their local 7-11 stores these days, because they can't go to Safeway, find that they're paying a fairly substantial hefty price for their beef and are beginning to ask some questions about how and why as consumers do they get some answers as to the reasons and what might be done about it. So I think, Mr. Speaker, as other members who have spoken on this bill have pointed out, this is not a bill that is of peculiar or exclusive interest to cattle producers or to rural people, I think it has a general broad spectrum broadspread interest to all people in this province as it relates to the marketing of cattle and the marketing of beef in the province, and therefore all of those of us who still enjoy a side of beef when we can afford it — and I hope, surely, Mr. Speaker, that the session comes to an end so that we get our indemnities, so I can once again afford to have some beef once in a while that we'll be able to enjoy.

Now, the issue that I see, Mr. Speaker, is this, that as I listened to and read the comments made by members of the Official Opposition, they indicated two levels of concern. One was the right of the government to establish a semi-official or semi-governmental association with certain public powers to act on behalf of a particular interest group in society. There seemed to be some objection to that particular action of government taking place, that somehow we were transferring powers or responsibilities, and on first flush there may be some level of concern, except when I recognized that we have transferred that same right, those same rights, to many other interest groups, particularly in the professional area. And that in fact, as I looked at the Acts empowering things like the Law Society and the College of Physicians and Surgeons, I deduced that they probably carry with them more public powers, particularly the one of licensing than are empowered to cattle producers under this Act, so that it is not particularly an unusual precedent that we are following in this case. It may be unusual to the extent that this is a commodity group that we're passing those powers on as opposed to a professional group, but nonetheless it may be the same thing; I don't know. It may be that they have the same level. Whatever the case may be it seems to be certainly within the orbit of governmental jurisdiction to give to a special interest group certain of its own powers to make certain regulations and to conduct certain functions on behalf of government, ones that would normally be condoned or conducted by government.

So on those grounds, Mr. Speaker, I didn't find any great room for argument, until you come to the point of what kind of powers are being transferred; then you come to some serious issues, and that is, the issue that was identified was the question of the requirement that is empowered under this legislation to make regulations and forcing the giving of information, which seems to be one of the touchstones of the debate that's between us. To what degree does that trespass or transgress the lawful or rightful transfer of powers to a private group to compel, if you like, individuals to submit documentation? Well, Mr. Speaker, I tried to analyze that particular issue from two grounds: one is — as members of this House will recognize — an interest I have had in the question of information for some several sessions — an interest which unfortunately hasn't been shared to the same degree, at least on the freedom aspect, by the members opposite. I'm almost prepared, Mr. Speaker, to make a bargain with the Minister of Highways, that we can do a trade here on votes, but I know he wouldn't be subject to such wiles as that. But the fact of the matter is — (Interjection) — maybe, maybe he would, maybe I'm speaking too soon — but the fact of the matter is that there is a real question about the requirement to give information. It would seem to me a certain degree of consistency that if I am as insistent upon the giving of information in terms of public service in government then there is a consistency in saying that perhaps other groups should be required to give information as well, as long as the proper protections and guarantees are imposed.

And that, I think, Mr. Speaker, is the weakness in the bill. No, not of the requirement to give information, but there are no guarantees against the kind, or certain protections against them. It seems to me, Mr. Speaker, that that could be easily corrected. In fact, I would recommend, if I might, to the Minister of Agriculture, that he may take a look at the principle that's embodied in

The Freedom of Information Bill which I have sitting on the Order Paper at the present moment, that if there is a reluctance to give information then that can be tested before an independent tribunal or court, in this case. And it may be, Mr. Speaker, that the same application, the same kind of guarantee, might be written into this bill to ensure that if there is major objection on the part of some party to the giving of information, that they would have to show due cause why not. And that, I think, might be the proper protection against, which would follow the consistency of the principle of The Freedom of Information Bill, that there may be some reason that is not known to either you or I that it shouldn't be given, I would only say that from that point of view we only have to consult the Honourable Government House Leader, who has argued eloquently why government shouldn't be required to give information in certain circumstances, in those instances.

Well, I think if we are going to follow along as I would like to do on the idea that the more information that is provided, the better it is, as long as there are guarantees for the rights involved, then I would think that this bill would be manageable. So I would simply ask the Minister of Agriculture if he would consider looking at that particular issue or providing guarantees against any sort of usurpation of information and giving the individual the right to challenge it and to show due cause why they may not give it to one of the tribunals we have — certainly God knows there are enough of them in this province — or maybe through the court.

On the other hand, Mr. Speaker, I ask the question, why would this particular association want the information? I think that that is where the issue of both the rights of the producers and the rights of the consumers come into effect, because I have gathered — and I perhaps could be corrected — but I gather that from both the point of view of the producers and increasingly of consumers, there is a large question mark in the minds of many as to the practices of many of the intermediary bodies dealing in the beef marketing field, particularly processors and other groups and organizations — the big feedlots, maybe, the retailing areas, and some of the large packers — and that they have not up to this time been willing to provide critical information concerning their pricing policies and some of the other critical price information that is necessary. And it was made very clear to me by many people and the beef producers themselves that as the nature of the industry changes, as they now go to — perhaps the Minister of Highways can help me out in this. There's a particular form about shipping frozen beef, beef hides — is that? — there must be a proper word for it. —(Interjection)— Right. That's right. That because of that, it will give the right of the packers to have the carcasses retained for long periods of time, where pricing changes go on during that evolution, and that unless there is that kind of information given out it will directly affect the ability of this association to make judgments on the market, and to also make judgments in terms of the retail trade.

So it would seem to me, at least the case was made to me fairly effectively, that there is a requirement for information to be had in order to ensure that there are proper pricing policies followed and that there are clear signals being given to the marketplace about what prices should be accommodated, and at the present moment there are certain hidden areas on the part of those big organizations that can afford to do it, that in effect disrupt the full play of the market information taking place, and it was at least made to me by people in the field. And also, by the way, Mr. Speaker, by talking to those who represent consumer interests, that they would be equally interested in the same kind of information, which they can no longer obtain, which would have something to say about if some reaction is to be given in the area of the retail price of beef, then there is some real reason to be getting better information flows from that requirement.

So it seems to me that the direction of this bill is not against the small producer, as has been proclaimed, but more against the large, intermediate organization which does a lot of the processing and retailing, which is really the real difficult barrier in terms of getting proper information as far as beef marketing is concerned. So it seems to me, Mr. Speaker, that there is good cause for requiring that kind of information as long as, and on the condition that there are guarantees against any severe imposition if someone feels so trespassed upon.

As I read the legislation further —(Interjection)— Well Mr. Speaker, I've already suggested in my remarks, if the Member for St. Johns had been listening, that we might follow the same kind of principle that is inherent in The Freedom of Information Bill that I've introduced in terms of providing that if someone objects to giving information, they can show due cause or rightful cause why they shouldn't give it before a court or some other body, and it may be that another body can be assigned. I don't pretend — I have enough trouble keeping up with the Order Paper from day to day to be able to provide the detailed investigation that I'm sure the Minister of Agriculture, through his own officials, might be able to, and perhaps with the assistance of the Attorney-General might be able to devise a proper system of referral or adjudication on those kinds of cases. Because I think the cases would be rare and unusual, and if they are rare and unusual it shows that maybe the person does have rightful cause, and if there was a proper procedure set out in the legislation which that individual could follow, then I think that it would certainly eliminate any objections I have

on that particular area.

So, to make a short story even shorter, Mr. Speaker, I would say to the Minister of Highways that I agree with the bill in principle, considering that there are . . . that I believe, and I do believe this — that we will want to see exactly what kind of amendments are introduced in terms of dealing with that question of the rights of information and the protection against it, at Committee stage, if I feel that those proper rights, and I would feel I could continue to support the bill; but if not, I will make my case at Committee stage and hopefully provide the corrections there. So, Mr. Speaker, at least speaking on behalf of this caucus, or of the Liberal Party, at this second reading of the bill we will support this piece of legislation.

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

MR. ADAM: Mr. Speaker, I move, seconded by the Member for St. George, that debate be adjourned, unless somebody else wishes to speak on it.

MR. McKENZIE: Mr. Speaker, I was wanting to.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I rise and give the support of Roblin constituency and myself to this Bill No. 25 that's had such a rough ride in its earlier stages, from the Farmers Union who stormed the halls of this building and made wild allegations and charges, and I don't know why they picked the Roblin paper to make all these allegations, this gentleman by the name of Lyle Ross. I never saw the items in any other newspaper, but they sure went to town in Roblin and made —(Interjection)— He says here that some members of the legislature chose to hide rather than see us; one Cabinet Minister, Warner Jorgenson, even chose to run away and lock himself in his office. Can anybody in their wildest imagination imagine Jorgenson running away from anything in this Chamber? They went on to say in the article that they're afraid to tell us, knowing we will report their positions back to the people in their own communities, and Ross said the government indicated their inaccessibility by being in Cabinet on Thursday morning rather than meeting us. What day does Cabinet meet on a regular basis? And these gentlemen coming here with those types of pressures, if there was any way that I wasn't going to make my mind up, they made it up real quick for me because of those attacks and those charges.

And then of course that leader, that great female leader of the group, Jackie Skelton, she went on and came out with even press releases and she has charged that the implementation of this checkoff system will amount to nothing less than a direct attack on the democratic rights of beef producers in Manitoba.

My gosh, beef producers have been talking about this legislation in my constituency for a long time awaiting the day that we could have it for them and help them with their industry. And Miss Jackie Skelton went on, "That the provincial Conservative Government will legislate the checkoff program unless producers claim their rights and clearly announce to the Minister of Agriculture their opposition to the program." And even though she stormed around and made all these statements I still don't find anybody in my constituency opposing the program. She said, "Once the system is in place, it'll amount to direct taxation without representation." Compulsory confiscation of farmers' money taken without their consent, and on and on and on.

Mr. Speaker, I don't see how that group, supported by members opposite, could come out with such ill-timed, ill-thought of statements on a bill such as this, where the cattle producers of this province are asking for legislation to provide them with the establishment and the financing of an organization — their own organization — to initiate support and conduct programs for the stimulation and the increase and improving of the economic well-being of the cattle industry. Is there anything wrong with that?

The former Minister of Agriculture came charging out of his stall over there and said that such material letters were not properly documented and made a fuss over there. He said that the letters on the Minister's desk were amassed during a successful beef campaign in his days, and that's where they were. The only thing is the former Minister twisted the truth and didn't actually tell the facts as they were. —(Interjection)— They just contained a matter of supporting a campaign for marketing of beef. Those are the things of course that concern me and concern the people in Roblin constituency, that even all the years that government was in office and the former Minister of Agriculture was leading the agricultural industry of this province as their First Minister, he still can't undersand the wishes and the demands and the needs of the cattle industry in this province. I don't say that may be the only reason that they're not in office today, but that one is the basic reason.

And of course then out comes the legal profession over there, and they come running out of

their stalls charging at this bill with their nostrils snorting and saying that, "It's illegal. It's illtactic. You can't do this. You can't do that," and the great Member for Ste. Rose comes out with his article in the Dauphin Herald and he says that this bill would allow such wide powers to a private association that urban opposition members are debating second reading on the grounds of civil liberties.

He says, "These great NDP members, Saul Cherniack, Sid Green and Ben Hanuschak unleashed tremendous attacks, tremendous attacks on the proposal because it would allow the association to compel producers, drovers, dealers, auction marts, truckers, processors and anyone connected with the industry to keep records, books and provide whatever information the Association desires without any right or appeal to the Board or the Lieutenant-Governor-in-Council."

Mr. Speaker, I have very quietly and in a very short time, reviewed some of the legislation that's already on our books in the province regarding that type of power that's granted to various associations; and it's not unusual, Mr. Speaker, for private associations to be given the right to look into books of members. In fact, it's the usual practice in the Law Society if you read the Act of the Law Society. They may require any member in the Law Society, to produce financial records and books to any member, or any committee duly appointed by the Law Society.

And under the Medical Act, which is a statute of this province, a council or committee of the Medical Association can hold an inquiry or they can ask any party to the inquiry, or they may serve subpoenas to demand the production of books, documents, at an inquiry. That's the Medical Association have those rights in this province.

The governing Board of the Engineers' Association of the Province of Manitoba, under I think it's Section 26(3) is it, of the Engineering Profession Act. They have the powers to demand the production of books, papers and documents as a Commissioner appointed to hold a public inquiry, under The Manitoba Evidence Act.

Other groups include the chiropractors, the chiropodists, the chartered accountants and the architects, all in their legislation have powers to make by-laws, regulations governing their membership as they see fit, which includes matters concerning discipline of members, and no doubt production of books is included under these general provisions.

I think also, Mr. Speaker, it should be noted that the Livestock Producers Act which is a statute of this province, livestock inspectors, today under the legislation of our province, can examine and take documents and records of anybody that he may feel is connected with the Act, and that includes producers, retailers and the buyers of livestock products.

So, Mr. Speaker, I've got all those pieces of legislation before me. I've examined them very carefully. This legislation is not taking any more wide powers than some of the precedents that's already in the records of this province. So I don't know what members opposite are concerned about when a bunch of cattle producers, in their own way with their own board, with their own organization and in their own constitution, decide to look after their records and to check out.

So, Mr. Speaker, I have no hesitation in supporting the legislation at all. I am concerned to note just in the dying days of the Saskatchewan Legislature, our neighbouring province, where this type of an Act, this provision has been on their statutes for many many years and they've been very active in the Canadian Cattlemens Association.

But the NDP government over there saw fit, just in the last Session, to now confiscate the purse — the cattle producers in Saskatchewan today — now the Minister has taken the purse away from them and put it in his office. So, Mr. Speaker, who is kidding who?

These members across here have been yelling across about confiscation of powers. The policies of the government, of the NDP in Saskatchewan are the same ones that these members opposite followed. If they were going to take the purse away from the cattle producers in Saskatchewan, if you were in office today, you'd be doing the same thing in this province. And fortunately you're not in office and I only hope that we can stay here for years so that you'll never get the chance after this legislation is passed, for the Minister of Agriculture of a New Democratic Government and talking about rights and powers of private organizations, to come and take the purse away from the cattle producers and put it in the Minister's office.

Mr. Speaker, I have no hesitation in supporting this legislation. I think it's long overdue. It's legislation that the cattle producers have been waiting for a long time.

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

MR. URUSKI: Yes, Mr. Speaker, a question of clarification on the Honourable Member for Roblin's remarks with respect to the legislation that he has perused. In his perusal of that legislation, does that legislation indicate that people not directly connected or not directly being producers, are subjected to having to produce records as they are in this legislation? Is that also in the legislation that he has checked?

MR. SPEAKER: The Honourable Member for Roblin.

MR. MCKENZIE: First of all I would think that as the Minister has already indicated to the House, there are some points in the legislation that's contentious, and as members of the Chamber can agree on contentious matters such as the one that the Member for St. George has; certainly that can be amended and brought into better perspective. I doubt very much in my time in the legislature I've ever seen a bill come into this Chamber at second reading that went through the place perfectly without amendments or proposed amendments. So if there are contentious matters such as the Honourable Member for St. George has — and he has a contentious point that deserves attention — the Minister has assured the House and the producers that it will deserve the attention of the committee and I hope when the bill is finally passed in third reading it will have the support of the members opposite as well as this caucus.

MR. SPEAKER: The Honourable Member for Ste. Rose has moved adjournment.

MOTION presented and carried.

MR. SPEAKER: Bill No. 26, The Statute Law Amendment (Taxation) Act (1978). The Honourable Member for St. Johns. (Stands)

MR. SPEAKER: Bill No. 29. Does the honourable member want to reconsider? I see the Honourable Member for St. Johns in the Chamber now.

MR. CHERNIACK: Mr. Speaker, I want the item to stand, but I might indicate that I'm waiting to hear from the Minister of Finance, who is going to table some documents that he undertook to do and I'm holding that. So if anyone else wishes to speak, by all means let him do so.

MR. SPEAKER: Bill No. 29, The Commodity Futures Act. The Honourable Member for Kildonan.\$

MR. FOX: Stand, Mr. Speaker, please.

MR. SPEAKER: Bill No. 36, An Act to amend The Highway Traffic Act (3). The Honourable Member for Ste. Rose.

MR. ADAM: Stand, Mr. Speaker.

MR. SPEAKER: Bill No. 38, The Marital Property Act. The Honourable Member for Inkster.

MR. GREEN: Stand, Mr. Speaker.

MR. SPEAKER: Bill No. 39, The Family Maintenance Act. The Honourable Minister of Health.

MR. SHERMAN: Stand, Mr. Speaker.

MR. SPEAKER: I now ask the advice of the Government House Leader or the members of the Chamber.

MR. JORGENSON: Mr. Speaker, we're 15 minutes away from Private Members' Hour, and in the light of the announcement that was made by the Member for Roblin earlier this afternoon, I wonder if honourable members would wish to proceed to Private Members' Hour and then adjourn at 5:15, rather than 5:30, to make sure they're in good shape for the reception tonight.

MR. SPEAKER: The Honourable Member for Kildonan.

MR. FOX: Mr. Speaker, I think that would be agreeable to our side.

BUSINESS OF THE HOUSE

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, before we go into Private Members' Hour, I would beg leave of the House to give the name of Mr. McKenzie to be substituted for that of Mr. Craik on the list

of members to comprise the Standing Committee on Economic Development.

MR. SPEAKER: Is that agreed? (Agreed) Well, with the unanimous consent of the House we will now proceed with Private Members' Hour.

PRIVATE MEMBERS' HOUR

RESOLUTION NO. 4 — MINIMUM WAGE FORMULA

MR. SPEAKER: The first resolution on the Order Paper is that of the Honourable Member for Logan. The Honourable Member for Logan.

MR. WILLIAM JENKINS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Flin Flon:

Whereas the minimum wage has not been increased since September 1, 1976, and

Whereas the cost of living increased by about 9 percent during the past year, and

Whereas the weekly average wage in Manitoba is lower than all except the three Maritime provinces, and

Whereas, since 1970 both employer and employee representatives on the Minimum Wage Board have urged that the minimum wage be set by use of a formula,

Therefore Be It Resolved that the government consider the advisability that:

1. Future increases in the minimum wage for employees, 18 years of age and over, be automatically put into effect on January 1 each year, based on 60 percent of the Manitoba Industrial composite average weekly earnings reported for the preceding June.

2. The minimum wage for employees under 18 years of age be set at 25 cents per hour less the minimum wage for employees 18 years of age and over.

3. The minimum wage adjustments to take effect on January 1 each year be announced not later than October 1 of the preceding year.

4. In the event that the Industrial Composite Index for the month of June would produce a figure less than the existing minimum wage, the minimum wage should not be reduced.

5. The Employment Standards Act to be amended to incorporate the formula recommended.

MOTION presented.

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Thank you, Mr. Speaker. Moving this motion, I think that I want to put on the record first that I think since it is now approximately 22 months since the minimum wage in the Province of Manitoba has been increased, that the time is long overdue for the government to consider whether they should increase the minimum wage. I'm putting forth the formula that has been recommended since approximately 1970 by the Minimum Wage Board, for the consideration of the government.

Basically what I want to do is try and set the record straight because the Minister, under questioning in the House on the Question Period, has stated that the Minimum Wage Board has stated that it wants to go out of existence. Well, that's basically correct, but there are some variations on that statement and for that reason I wish to read from the report of the Minimum Wage Board for 1976.

At the request of the Minister in the letter dated March 12, 1976, the Minimum Wage Board met to consider the establishment of a formula for setting the minimum wage and the following is a report of the board on that subject.

In 1970, both the employer and employee representatives on the board expressed a desire to have the minimum wage set by a formula. The Majority Report of 1970 recommended that after October 1, 1971 upon any increase in the Cost of Living Index for Manitoba of 2 percent, the level of the minimum wage should either be adjusted automatically or alternatively the Minimum Wage Board should be convened for the purposes of reviewing and revising the level, and in the same year there was a Minority Report, and the Minority Report recommended that from January 1, 1971 on, the minimum wage increase for both over 18 years of age and under should be increased automatically or upon Order in Council for example, 2 percent if the Cost of Living Index for Manitoba goes up by 2 percent.

The following year the board made the following unanimous recommendation and they based it on a formula that from November 1, 1970 upon any increase in the Cost of Living Index for Manitoba of 2 percent, the level of the minimum wage should be adjusted automatically. The base to which

this formula is applied, the rate of increase in relation to such increase in the Cost of Living Index and the point in time when a review or reviews of the Cost of Living Index shall be carried out is to be left to the discretion of the government acting upon the advice of its economists on each of these points.

Evidently in 1972, the board made its recommendations but no recommendations dealing with a formula. But in 1973 the Majority Report of the board made reference to the fact that both labour and management representatives still desired to have a formula established for setting the minimum wage, but could not agree on what such a formula should take. In 1974 the Minority Report of the board made the following recommendation, that future increases in the minimum wage be automatically put into effect as of January 1st and July 1st of each year based on 60 percent of the Manitoba average weekly earnings of the Industrial Composite Index based upon the June and December figures of each year which will be effective six months later. This recommendation was repeated in the Minority Report for 1975.

Labour and management members of the board believe that the use of a formula for adjusting the minimum wage would considerably reduce the impact of political considerations on decisions about the minimum wage adjustments and they regard this as desirable. And the recommendations that they recommended that year were as follows: (a) future increases in the minimum wage for employees — that's basically what this motion is presented on and I won't repeat them because it is part of the resolve that is before the House for discussion at this time. And then we come to the question of the continued existence of the board and this is where the Minister states that the board wants to go out of existence.

The continued existence of the board, the question of the continued existence of the board was raised in the Majority Report for 1970 which stated as follow: It might also be mentioned that there is a real doubt in the minds of many of the members of the board as to whether this board serves any useful purpose and whether or not it should continue in existence. There is no need to review the reasons for these views but it should be said that many of the members of the board are of the opinion that the government should establish as a principle whether or not the decision as to the level of the minimum wage in the province should be entirely a political issue, or decision, or whether it should fall completely outside the political area. If the government were to decide that this decision should not be made on a political basis, then the composition of this board should be reconsidered with a view to a substantial change in the manner in which the board is constituted.

The idea of disbanding the board was followed up by a Minority Report for 1974 which recommended that the formula be adopted for establishing the minimum wage and if this were done the board should be eliminated. This recommendation was repeated in the Minority Report for 1975. The general feeling on the board is that the response to public hearings has been consistently minimal and that the briefs received from the individuals and organizations have simply repeated themselves from year to year, therefore, there is a growing feeling on the part of members that the board's deliberations are no longer a crucial factor in the final decision on the minimum wage changes from year to year. The board is mindful of the fact that its recommendations of a formula represents a new approach to minimum wage adjustments and presents the following recommendations in the light of the novelty of the procedure.

It recommended that a review of the experience with the formula be carried out after the formula had been in use for not less than three years. That the Minimum Wage Board remain in existence until such a review had been carried out and once the review is completed the Minimum Wage Board then should be discontinued. The board in making its recommendation has had in mind January 1, 1977 as a starting date for the application of the formula proposed. However, the board is in favour of an interim increase in the minimum wage for 1976 which allowed for the customary advance notice and which was respectfully submitted by the Minimum Wage Board to the then Minister of Labour.

On May 17, 1977, the board met again at the request of the Minister and basically made the same recommendations to the Minister that the government should consider the advisability of setting this up. We all know that 1977 was a year of a general election and the matter of the minimum wage was postponed pending an election. What was supposed to come into effect, not the formula but an increase was under consideration by the then Minister of Labour, was that the minimum wage would be increased as of January 1st. What it would have been at that time I have no idea because the Minister of Labour never shared those thoughts with me. So, with the result that we have had now, increases in the cost of living in the 22 month period; 9 percent in the past year and quite a jump in the Cost of Living Index just in the last report from Stats Canada.

Other members who are dependent upon the political whims of government, like old age pensioners on old-age security, Canada Pension, where they have had a built-in formula and have taken it out of the political arena, have been able to receive increases in their allowances over this 22 month period, but this is not then possible for those people who are, in many cases heads of

families with children to support. They've had no increase since September 1976 and while trying to get to this issue in the Estimates we have had closure invoked by the government and that is their right to do if they feel that they want to get the Estimates proceeding. So, the place left now to discuss it is here in this Assembly and I'm asking the government to consider the advisability of looking at this formula and I would also ask them in the meantime and ask the Minister quite sincerely, to take into consideration that it is 22 months since the people who are employed in industry and service industries in Manitoba at the minimum wage have had an increase.

We have been accused by members opposite that we are only interested in those people who are in the field of organized labour, and I can assure the Honourable Minister of Labour and I can assure honourable members of this Assembly that we are also interested in all facets of the working population of Manitoba and I think it is incumbent upon us as members of the Legislative Assembly, especially since these people who are working at the minimum wage level do not have any organization to go to bat for them to make representations to the employers for an increase in wages to cover the rise in the cost of living. And so, if they have no other method of making themselves heard, they have to make themselves heard through members of this Legislative Assembly because it is the responsibility of members of this Assembly to raise issues in this House that affect members of their constituency and the constituency of the province of Manitoba as a whole, and I think that this is a problem that is facing these people at this wage level. They have no voice except that at the polls and that's three years hence, so they cannot make their voices heard until that time. So, the only way that they can make their voices heard is through members of this Assembly.

The Honourable Member for Kildonan has said that he has been receiving many phone calls and inquiries when the minimum wage will be increased from his constituents. I can assure him that I have also had the same thing, and I'm sure honourable members on both sides of this House. Surely, because people live in a constituency and they're represented by one of the government members, he's not going to tell me that he hasn't received inquiries about when the minimum wage is going to be increased because I won't believe that. That's a bunch of nonsense.

What we have experienced from the Minister — what we were able to get from her in Estimates and what she stated in this House, while technically she's correct in some respects, when she states that Manitoba is fourth on the minimum wage scale for the country as a whole, that isn't quite correct because it is Quebec that leads the field, followed by Saskatchewan, then the provinces of Alberta, British Columbia, Yukon and Northwest Territories, then the Province of Manitoba at a wage scale of \$2.95 per hour. So, when the Minister says that we're fourth on the scale, we're fourth on the scale if you look at the actual figures, but if you're looking at jurisdictions in this country, we're in seventh place not in fourth place and it has been fairly well established that while we were the government of this province we were always near the top as far as the minimum wage scale levels in the country as a whole.

So, I would say to the Minister and I would say to the government members and to the members of the Treasury Bench, that it's within your power to make the changes. If you don't want to make the changes well then I would say that it is far more incumbent upon you then to make an increase. At least make some effort to show these people that they are not the forgotten few and the Minister said that well, there's only about 30,000 to 40,000 of these people in the province of Manitoba. The fact that their numbers may be small in comparison to the total work force in Manitoba is no excuse for the government or members of this Assembly for not taking up a cudgel on their behalf. It is not possible for us on this side of the House; all we can do is ask the government and the Minister to consider the advisability to make the strongest recommendation that the minimum wage in this province should be increased. What the figures are, that is something that you will have to come up to. I have suggested to you by the resolution a formula that has been repeated in one way, shape, form or another for a period of years. If you feel that formula is not to your liking and you want to make some changes to it, that is your responsibility as the government and as the Minister responsible. But to sit and do nothing and to come in here and say, "Well, we have lower minimum wages in North Dakota and Timbuktu or Kalamazoo," we're not interested in the minimum wages in those places. We're interested in the minimum wage as it affects our citizens, our constituents in the province of Manitoba.

You can look at wage scales and compare them with costs of living. Now the Minister, when she wants to talk about minimum wages, she has to apply them to the cost of goods and services that people have to pay for and if she looks at some of the places that she has mentioned in the United States, she will find that their cost of living in many cases is much less than what it is in the Province of Manitoba and other parts of the country. When she states that increasing the minimum wage as supposedly the cause of the high unemployment in Quebec and stated that it was the highest and she did admit later that she was incorrect, that the highest unemployment rates were not in the Province of Quebec but in the Province of Newfoundland and it was interesting to note that the Province of Newfoundland had the lowest minimum wage of any province in the country, so

to state that — I'll finish in just a moment, Mr. Speaker — to state that because the minimum wage was high in Quebec as the cause of high unemployment just doesn't hold water because the unemployment in the Province of Newfoundland is higher than the Province of Quebec and they have the lowest one. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Labour.

MRS. PRICE: Mr. Speaker, the resolution that the Member for Logan puts before us would have the government consider the advisability that future increases in the minimum wage be worked out by means of a formula, a formula which had been recommended unanimously by the Minimum Wage Board in 1976 and again in 1977. As indicated in the resolution, the proposed formula would require the future increases that are calculated on a basis of 60 percent of the Manitoba industrial composite average weekly earnings recorded each June be put into effect the following January. The 25 cent differential would remain for people above the age of 18 years and under 18 years of age. The proposal further requires that the increases be noted on October 1st annually. In addition, that the formula not decrease the minimum wage and that the Employment Standards Act be amended to incorporate the formula.

Mr. Speaker, there are several considerations that I would like to discuss in regard to this resolution. These specific recommendations were made both in 1976 and in 1977 to the previous government and it is very obvious by the fact that they didn't find it in their wisdom to implement it that they must have recognized some difficulties with the formula such as we do. On July 26th, 1977, the previous Minister of Labour sent a memo to Premier Schreyer and the members of his Cabinet which read: "I make no recommendation as to an increase in the minimum wage at the present time. For your information, I have had no pressure for an increase as of now." Mr. Speaker, that was a full 11 months after the last increase.

In a copy of a report forward to the previous Minister of Labour, the chairman of the Minimum Wage Board indicated that in 1974, a Minority Report indicated that the formula should be 60 percent of the average weekly earnings of the industrial composite index — 60 percent, Mr. Speaker. This recommendation was presented in 1975 and again in 1976 in a report from the Minimum Wage Board. On May 17, 1977, the chairman of the Minimum Wage Board recommended that the minimum wage be increased, however, Mr. Speaker, it is interesting to note that the previous Minister of Labour chose not to listen to that recommendation some two and one-half months later.

Mr. Speaker, I would like to draw to the attention of the honourable members opposite the minimum wage and its relation to the industrial composite average weekly earnings during the past several years. I will give the minimum wage at a given time and its percentage of the average weekly earnings at the same point in time.

December, 1968 — \$1.25 — 49.6 percent.
December, 1969 — \$1.35 — 51.0 percent.
October, 1970 — \$1.50 — 50.9 percent.
November, 1971 — \$1.65 — 51.0 percent.
October, 1972 — \$1.75 — 50.6 percent.
October, 1973 — \$1.90 — 51.0 percent.
July, 1974 — \$2.15 — 51.7 percent.
January, 1975 — \$2.30 — 52.8 percent.
October, 1975 — \$2.60 — 53.4 percent.
September, 1976 — \$2.95 — 54.9 percent.
December, 1977 — \$2.95 — 51.4 percent.
March, 1978 — \$2.95 — 50.3 percent.

Mr. Speaker, when the NDP Party came into power, the minimum wage was slightly over 50 percent of the industrial composite average weekly earnings. During the eight years that the NDP was in power, the percentage ranged from 50.9 percent to a high of 54.9 percent in 1976. The average for that, Mr. Speaker, was 51.9 percent — 51 percent, Mr. Speaker, — and yet the members opposite who are crying to us and presenting themselves as the champions of the poor, they chose over eight years to only raise it 1 percent, Mr. Speaker, and now they are asking us to raise it to 60 percent.

Mr. Speaker, I would suggest that the members opposite are knowledgeable and that they had very good reason for not further increasing the minimum wage even though the Minority Report had asked them to do so at the rate of 60 percent.

Mr. Speaker, I would like to quote a statement made by one of the members of the NDP who in 1973, said, "It's only the small businesses that fear this government because the small businesses are afraid of the increased minimum wages that we are legislating. So it is these small business that are being squeezed by social democratic governments."

Mr. Speaker, some of the members of the NDP recognized that a higher minimum wage would

create hardships for the small businesses and therefore they saw fit not to raise it more than 51 percent through their eight years but now, Mr. Speaker, they are asking us, the government of the day, to raise it to 60 percent. Mr. Speaker, this government believes that small businesses are the backbone of Manitoba and we are here to see that they flourish, that they are encouraged to come into Manitoba, that the people who have their businesses in Manitoba are encouraged to expand in order to have more employment and to have a much more sound economy than has been noticed in the last eight years.

I would also suggest, Mr. Speaker, that at least some of the members opposite appreciate the benefits of business firms. Almost daily we hear from the Member for Brandon East about all the businesses that he and his government brought to Manitoba. Had this formula been implemented based on the industrial composite average weekly earnings figures for June, 1977, Mr. Speaker, that would have raised our minimum wage to \$3.45 an hour which rate would have come into effect on January 1st, 1978. A comparison of this, this rate would be 18 cents higher than the Quebec minimum wage of \$3.27 which is now the highest in Canada, 80 cents higher than Ontario's \$2.65, 45 cents higher than the minimums in B.C., Alberta and the Northwest Territories and 30 cents higher than in Saskatchewan. Mr. Speaker, that shows that if we had gone on a 60 percent formula we would have priced ourselves right out of the market altogether.

I would suggest that serious damage could be done to our competitive position particularly in certain light manufacturing and service industries. With increasing regularity, expressions of deep concern are being made and reported in the media as to the disadvantaged position our tourist industry is facing in Canada these days. They have a staggering \$200 billion deficit, Mr. Speaker, and a lot of it is attributable to the higher wage costs that there are in hotels and the restaurants in Canada as compared to the United States.

In the Province of Quebec, where they adjust the minimum wage on the basis of a formula — albeit it is a different formula than what we have but the fact remains that it is a formula and it is raised on a regular basis — they are having very serious reservations right now about the ability of the Quebec economy to be able to remain competitive. I just read in the paper a very short while ago where the Premier of Quebec is getting together with his Cabinet and they are taking a very serious look at what they have done by using this formula and pricing themselves right out of competition.

Yet we have before us, Mr. Speaker, a resolution that proposes to establish by formula a minimum wage rate higher than that which is currently creating such a great concern and a serious damage to the Province of Quebec.

The honourable member has indicated in his proposed resolution that the average weekly wage in Manitoba is lower than all except three Maritime provinces. This is true, Mr. Speaker, but I might point out that six or seven years ago Manitoba's average wages exceeded those of Saskatchewan and Newfoundland as well. While the previous government were concerned, as they should have been, with the people who work for minimum wages, they somehow forgot about the people who create the jobs that make the people be able to have a higher minimum wage. They forgot about the people who are paying the wages. Instead of attracting or promoting businesses to Manitoba as they should have been for the last eight years — they are more concerned about raising the minimum wage now than they had any concern in the past eight years, Mr. Speaker — the previous government, by their general negative attitude to business discouraged any new businesses from coming into the province.

For the information of the member, I would point out that if there were such a formula as has been proposed and if it was implemented in each province, the hourly minimum wage rates in Canada as at January 1st, 1978, would have ranged from \$2.77 in Prince Edward Island and \$3.22 in Nova Scotia to \$3.95 in Alberta and \$4.30 in British Columbia. As mentioned earlier, Manitoba's would have been \$3.45, ahead only of New Brunswick, Nova Scotia and P.E.I. Can you imagine the effect of such minimums on the international competitive position of the country and on the numbers of jobs available to Canadians in industries subject to competition? In terms of the relationship between the minimum wage rate and the average wage rate as reflected in the industrial composite weekly wages, Manitoba enjoys today, as it has for many years, an enviable position vis-a-vis the other jurisdictions. In terms of the minimum wage as at January 1st, 1978, as a percentage of June, 1977, industrial composite average weekly earnings, Manitoba stood at 51.5 percent. This is slightly lower than Quebec at 52.9 percent and Prince Edward Island at 58.6 percent but higher than all other provinces. The proportion in Ontario was 42.2 percent; in B.C. it was 41.8; and in Saskatchewan it was 50.6 percent.

Mr. Speaker, the honourable member points out that the minimum wage in Manitoba has not been increased since September 1st, 1976, a period of 20 months. Well, I would like to suggest to the member that Manitoba's not the only jurisdiction that hasn't raised their minimum wage in 20 months or longer. The minimum wage is receiving more than just passing consideration. The question of the broader implications of minimum wage policy on the economic and social environment

is obviously receiving more thought and deliberation in all the provinces than it did in the earlier years of this decade when increases in provincial minimum wages appeared to occur annually more by rote than by rational decision making.

The Federal minimum was established 25 months ago. Newfoundland's minimum of \$2.50 was set 28 months ago. British Columbia's minimum of \$3.00 became effective 23 months ago. Ontario's minimum wage of \$2.65 per hour which was set 25 ½ months ago is scheduled to be increased to \$2.85 on August 1, 1978. Finally in New Brunswick and Nova Scotia where increases were made 18 and 16 months ago respectively there have yet been no increases announced in their minimum wages.

I would, therefore, suggest, Mr. Speaker, that we are not particularly out of line in this regard, particularly when you realize that 14 out of the 20 months was under the previous government.

The honourable member indicates that the cost of living has increased by about 9 percent during the past year. We acknowledge that this is true and I suggest to the honourable member that the expressed aims and policies in this government are to reduce the rate of inflation through the exercise of restraint in spending.

It would be the height of irresponsibility then to consider the implementation of a measure, that while it was intended to assist the low wage earner, it would in fact result in a new round of price increases through the economy and surely would result in the loss of countless jobs that are very sorely needed by the people of Manitoba at this time. It is also likely, Mr. Speaker, that many collective agreements would be affected by an increase of the magnitude being proposed by the resolution by the Member for Logan.

In the garment industry where several agreements explicitly are linked to the provincial minimum wage, it is probable that almost all existing collective agreements would be affected to some degree. As well, many agreements in other industrial sectors would be affected by such an increase and, Mr. Speaker, it is the view of this government that it is far better to have these wage decisions determined through the collective bargaining than to be implemented through government legislation.

Not only are minimum and near minimum wages affected by substantial increases in a statutory minimum wage, but also some higher wage rates are indicated and are highly influenced by it. There is a ripple effect that goes right up to the top every time there is an increase in the minimum wage and further cost pressures are exerted by the employer.

Where the employer is subject to external competition, the ability to raise prices to accommodate increasing costs is limited and results could be serious to the employer as well as the employee. In the trade and service sectors, Mr. Speaker, the increased labour costs are more easily translated into increased prices. However, as I indicated before, the government does not view it desirable to introduce significant inflationary factors into the economy at this time.

Mr. Speaker, I am sure that the members opposite would be interested in some figures pertaining to those employees who receive the minimum wage. The information is from a survey undertaken by the Statistics and Research Committee of the Canadian Association of Administrators for Labour Legislation. The survey is based on a 10 year study that was conducted in the provinces of British Columbia, Manitoba, New Brunswick, Ontario and Quebec along with the Federal Government. The study showed that a high proportion of employees are young. Over 50 percent are under the age of 25 and there's less than 10 percent over the age of 55. In addition, women hold disproportionately large numbers of low wage jobs and in many cases that is because of their duties in the home, or because of illness, or whatever, but only a small percentage of low wage earners are responsible for the support of a sizeable family.

In a study carried out in Manitoba in 1972-73 by the Manitoba Department of Labour under the previous government, it was determined that the increase in the minimum wage had a discernible effect on the composition of employment, hours of work for older workers declined and the number of jobs for the younger people increased very slightly. The study also showed that certain categories of employees would be adversely affected, particularly in the trade and service sectors where the majority of minimum or low wage earners are employed.

One of the objectives of the Minimum Wage Legislation, is to reduce the incidence of poverty by ensuring workers of at least a liveable wage. Mr. Speaker, if we keep on raising the minimum wage, all the people that have their little businesses, which make up some 80 percent of the businesses in Manitoba, we'll have a lot more unemployment than there is now and there will be a lot of people that will be in worse shape than the few people that are affected that were making the minimum wage.

Mr. Speaker, I'd finally like to indicate once again to the honourable member, that the question of the appropriate minimum wage level for Manitoba will be considered by the Cabinet in due course. However, I cannot accept the resolution of the honourable member that such a decision be made on the basis of a formula, particularly one that would produce the adverse complications that I have

mentioned earlier. Thank you, Mr. Speaker.

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

MR. EVANS: Thank you, Mr. Speaker. We've just heard the usual type of argument that we've become accustomed to from our Minister of Labour, an attitude that is demonstrated in the argument that I would suggest is one, at best of indifference to thousands of people who are unfortunately on the minimum wage in this province, and at best callous because I don't think there's any other word that I can use to describe the attitude not only of the Minister but of this government, simple, pure unadulterated callousness toward thousands of people in this province who slave day in and day out at the pitiful minimum wage that they're now receiving. The minimum . . . —(Interjection)— I don't know who I was, I suppose it was the Member for Emerson speaking from his seat as usual, and we'll all enjoy hearing him speak eventually. Why didn't we raise it? If he listened to the Minister of Labour, she pointed out that we did raise it on many occasions to the point that we were showing the rest of Canada what a suitable minimum wage might be.

As a matter of fact, I think we took pride in the fact that we had a minimum wage that compared favourably with other provinces in Canada. What is happening now is that Manitoba is slipping behind and is displaying the characteristics that you find in the stagnating areas of the country such as the Atlantic provinces. We're going to be soon competing I'm sure with the province of Newfoundland for having the lowest minimum wage in the country, and we're slipping well behind the provinces of Alberta and Saskatchewan, those provinces with which we should really be comparing because we're in the same economic region, we're slipping badly behind those provinces in terms of the minimum wage.

I think that the refusal of this government and of this Minister, to adjust the minimum wage upward to a more decent level is typical of a pattern of actions and attitudes demonstrated by this government with respect to the working people of Manitoba whether it be health and safety legislation or the administration of it, whether it be $1\frac{3}{4}$ pay for overtime, or whether it be the minimum wage, we see the same anti-labour, anti-working person attitude demonstrated by this particular government.

The Minister a few weeks ago gave us data to attempt to justify the government's action in this particular matter and again today she's given data. If we wanted to take the time we would find that the data she originally gave us, conveniently stopped in March of 1977, well over a year behind the times and I would submit, Mr. Speaker, on looking at the data in today's terms that the minimum wage in Manitoba if you deflate it with the Cost of Living Index, or the Consumer Price Index, is back to a point of three or four years ago. In other words, we've slipped behind by three to four years in terms of the relative position, not in terms of the relative but in terms of the absolute position of those people on the minimum wage. As of March 1978, the real minimum wage was more like a \$1.90, that is if you deflate it based on October 1973 levels. So rather than discuss a lot of figures and a lot of detail because we can easily demonstrate that the real minimum wage has slipped badly because of the incessant inflation, I can simply categorically state, Mr. Speaker, that the people on the minimum wage today have slipped behind by several years and at the rate that this government's going, their condition is going to be continually worsening.

The fact is that inflation is with us whether we like it or not and I would submit that this government nor any government of a province does not have it within its power, within its jurisdiction an ability to lessen inflation, or to stop inflation. Inflation comes to Manitoba from beyond its borders and no amount of curtailment of government spending, no amount of reductions or holding back on the minimum wage in this province is going to have an effect on the rate of inflation. We're going to have inflation regardless of what this government does, so I'm not holding it responsible for inflation but I think that it's ludicrous for the Minister of Labour to get up and say, well we're going to restrain spending and therefore, we're going to do something about inflation in this province. Well, that simply is rubbish, it will not wash, it doesn't stand the light of any scrutiny of any economic analysis.

So the fact is that what we do have as a process, is a gradual worsening, a gradual deterioration of those thousands of people, whether they be young people or whether they be women, is beside the point. They are people, they are trying to make a living, they are trying to put some bread on their table or keep a roof over their head and I think for the Minister to belittle the problem, or to make the problem seem less than it is by saying, well a great percentage are young people and a great percentage are women, it does a great disservice to the young people of this province and it does a great disservice to the women of this province. In fact it smacks of discrimination. Why should a young person be forced to live on a deteriorating minimum wage and why should a woman be forced to live on a deteriorating minimum wage, while each month goes by it costs more to buy food, it costs more for shelter, it costs more for transportation and it costs more to live generally, and this Minister has the gall to stand up and say, well, remember it's mainly women and it's mainly young people. I say they have to live, they have to eat, they have to sustain themselves

and those who are dependent upon them and it's just not good enough for this Minister to make this seem to be a small problem by saying, well after all it's mainly young people and women that are affected.

I think that in her comparison with the industrial composite, and I noticed in the calculation sheets that she gave us last April, April 25th, very conveniently they had the people working on the minimum wage at 40 hours a week and then made that a comparison of the composite industrial wage. Well the fact is, Mr. Speaker, that there are various figures that show the typical work week is nowhere near 40 hours, it's more like 37, in some cases it may be 38 hours, in some cases it's even less than that if you look at various industrial sectors. So that if you want to compare the average earned by someone on the minimum wage with the industrial composite, I suggest you don't use the minimum wage and multiply it by 40 as her staff has done, but to use the minimum wage and multiply it by either 36 or 37 hours, or 37.5, whatever Statistics Canada shows to be the true average work week in the industrial sector, so that when you take that into account you'll see that the percentage of the industrial composite is much lower than the Minister of Labour would have us believe.

It will be interesting to see the Consumer Price Index for the City of Winnipeg. We've had the bad news for the Canadian average. I believe we still haven't yet heard the figures for Winnipeg and other cities in Canada, they'll come out in a day or two. I suspect they will not be very different from the national average and they will show a continuation of 9 percent per annum inflation.

Just about any economic forecast you read, Mr. Speaker, and these are economic forecasts that are conducted by some very reputable research institutes in this country, private institutes and also by university economists, will tell you to the person, each and every one of them will agree that inflation, whether we like it or not, is going to continue in Canada for the foreseeable future and there are no projections, the majority believe that there will be no let up in the rate of inflation and that inflation will not drop to 7 or 6 or 5 or 4 percent or will not go away but that it will unfortunately continue. I say, therefore, that for the balance of this year and possibly for another 12 months, we'll see the rate of inflation continue in Manitoba around 9 percent. So month by month, therefore, Mr. Speaker, we will see the standard of living of those people in Manitoba who are not organized, who are not in a position to collectively bargain, for whatever reason, who are not in a position to do something about it through the collective bargaining process, we'll see those people suffering even more as the days and the weeks and the months pass on. I say this is not a rational approach, it is a callous approach and to think for one moment that by reducing or keeping the minimum wage down and by restraint in government spending in this province is going to have anything to do in reducing the rate of inflation, is simply ludicrous. It will simply not wash.

Really, what we see therefore, Mr. Speaker, is the standard of living of thousands of Manitobans being affected and, unfortunately, again it's those who are perhaps the weakest among us in many many ways, those who are disorganized, the young who are just getting started perhaps, but for one reason or other it seems to be that this government can zero in very nicely, thank you, on the backs of the weakest, whether they be the elderly, whether they be the young, whether they be the sick, whether they be in personal care homes, whether they be in hospitals, whether they be living in low rental accommodation or what have you.

We're going to see, if not this year, within a few years, a rise in the rental rates for public housing to at least 25 percent of the income of those people. So, whether we like it or not, whether it's going to happen this year or maybe it won't happen next year, but eventually we will see the squeeze being placed on those people living in public housing.

We've seen costs of services go up thanks to policies of this government and we've seen various user fees being put in place. Without question, this government has done nothing to ease the burden for these people but rather stand by and allow them to have their particular standard of living deteriorate while at the same time being prepared to provide additional funding for the wealthy by reduction of gift taxes, by the reduction of personal income tax by 2 points and so forth.

I submit, Mr. Speaker, that my colleague, the Member for Logan, has come up with a very rational and very fair approach to the question of minimum wage by suggesting that it be effectively based on 60 percent of the Manitoba industrial composite.

MR. SPEAKER: The Honourable Member has five minutes.

MR. EVANS: Thank you, Mr. Speaker. I think that this suggestion has a number of merits. First of all, it certainly is an improvement. It would be an improvement over our present situation and if the Minister thinks that it is difficult to get to 60 percent immediately, well I suggest that can take place over a period of time, it can be phased in. But I think that is an ideal to which we should strive. I believe that it has another merit and that is it would automatically adjust the minimum wage where the average worker in Manitoba was realizing an increase in his or her average wage. Obviously we would be keeping these people in some type of fixed relationship to the average working person.

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The other thing about it, of course, is that it does not only take into account changes in inflation but when you relate it to the industrial composite, you are also taking into account increases in the rate of gross provincial product or the rate of gross income of the province. Let us appreciate that there may be some growth that is taking place in the province or in the country and that growth of income such as it is, meagre as it is, nevertheless is reflected in the average industrial wage. In other words, the wages that people are earning are not only reflecting increases in inflation but they should be reflecting increases in the gross provincial product, the gross income of the province. Therefore by relating the minimum wage in this way as suggested in this resolution, we would be providing for a share of increased income for these people as well as providing for an increase in the cost of living. That assumption is built in, Mr. Speaker, is built in to the fact that when workers collectively bargain for their wage, that they take this into consideration in their bargaining process.

I regret the defensive attitude that the Minister of Labour has in this matter. It seems that we are treated again with another description of everything is well in the world, it's as well as it can be, and that if we do anything to help the working people of this province, we are going to hurt industry and hurt business. Well, I would suggest, Mr. Speaker, that the great bulk of the business that you have minimum wage is the service trades and in that case, you are not competing with industries outside of the province. Those industries that do compete outside of the province, I submit, Mr. Speaker, are paying far more than the minimum wage. Those industries have unions, they have collective bargaining and they are way and above and beyond the minimum wage. Those people, those industries, those companies that do pay the minimum wage, as the Minister herself admitted and has stated, are the service sector, largely the service sector and those industries, those companies do not necessarily compete beyond the province.

The other observation I would make in conclusion, Mr. Speaker, is that it is rather interesting to note that those provinces in Canada that have the best rate of growth, the fastest rate of economic growth . . . those provinces that have the lowest levels of unemployment are among those that have the highest levels of minimum wages. We find Alberta and Saskatchewan having the highest levels of minimum wage. In contrast, Newfoundland has the lowest minimum wage in Canada but it also has the highest levels of unemployment and I submit that its economy is suffering the greatest of any of the provinces. So I say, there is no correlation whatsoever between a low minimum wage and a high rate of economic growth. I'm afraid what is happening is that this, if anything, is symbolizing Manitoba's march toward economic stagnation under the Conservative government of Manitoba.

MR. SPEAKER: The hour being 5:30, I'm leaving the Chair and the House is accordingly adjourned and stands adjourned until 2:30 tomorrow afternoon. (Thursday)