

LEGISLATIVE ASSEMBLY OF MANITOBA
5 March, 1980

Time: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

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

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Minister of Government Services.

HON. HARRY J. ENNS (Lakeside): Mr. Speaker, I should like to table the Annual Report of the Department of Government Services for the year 1978-79.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): Mr. Speaker, I wish to table the Annual Report of the Universities Grants Commission for the year ending March 31, 1979.

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I have a statement to make, and I have copies for the House.

Mr. Speaker, the following has been announced:

Mr. Philip R. Enns, on behalf of a company to be incorporated at an estimate capital cost of \$1,460,000, a project to establish a new facility in Winkler to manufacture hopper bottom grain trailers, and eventually expanding the operation to include highway cargo vans, will be proceeded with. Sixty-one employment opportunities are expected in this new facility. This project supports the objectives of the Canada-Manitoba Industrial Development Agreement, which places emphasis on certain industrial sectors, including transportation and agriculture. The new corporation has accepted an incentive offer of \$394,680 from DREE.

Sparry (Inc.) Syndicate, at an estimate capital cost of \$556,050.00. The company plans to install additional equipment in existing Winnipeg facility. The new production equipment will allow the company to manufacture general purpose microcomputers. These microcomputers will be developed, tested and manufactured locally. Forty employment opportunities are expected in this expanded operation. This project supports the objectives of the Canada-Manitoba Industrial Development agreement, which places emphasis on a certain industrial sectors, including electronics. Sparry (Inc.) Syndicate have accepted a development incentive of \$230,213 from DREE.

Ancast Industries Limited of Winnipeg at an estimated total capital cost of \$650,000.00. Ancast Industries intends to increase their production of metal casting substantially. Eighteen employment opportunities are expected in the expanded operation. This project supports the objectives of the Canada-Manitoba Industrial Development Agreement, which places emphasis on certain industrial sectors, including casting of ferrous metals. Ancast Industries have accepted an incentive offer of \$126,000 from DREE.

Prairie Cabs Limited of Winkler, at an estimated capital cost of \$141,677.00. The company plans to add a 5,200 square feet addition to the existing facility to install new machinery and equipment. One-half of the new space will be used to expand the existing line of tractor and combine cabs. The remaining space will be utilized in the manufacture of new line of rear truck bumpers and truck utility boxes; seven employment opportunities are expected from this expansion. This project supports the objectives of the Canada-Manitoba Industrial Development Agreement which places emphasis on certain industrial sectors, including transportation and farm equipment.

With all these announced grants the Manitoba Department of Economic Development and Tourism discussed and supported these assisted applications with the Department of Regional Economic Development.

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We are presently working with Prairie Cab Limited of Winkler regarding assistance on plant layout. We also conducted a survey for Ancast Industries Limited of Winnipeg as to the feasibility of expansion.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): Mr. Speaker, we have listened to the announcement by the Minister responsible for Economic Development. First, we find it somewhat passing strange that these announcements which generally only appear in newspapers pertaining to DREE money, and I believe, that I would be interested in the Minister's comments involving, principally if not totally, federal money are being announced in the Legislature. It seems to be evidence of the Minister's desperation to demonstrate that something is happening by way of manufacturing in Manitoba when he sees fit to announce in this House a DREE grant to a company called Prairie Cabs Limited of Winkler, employing some seven individuals. We wonder if the Minister will list to us by way of public announcement the bankruptcies which occur in this House as were enunciated by way of reference from the Honourable Member for Inkster yesterday.

We have a number of questions which we would pose to the Minister pertaining to his announcements.

MR. SPEAKER: Order, please.

The Honourable Government House Leader on a point of order.

HON. GERALD W.J. MERCIER (Osborne): Mr. Speaker, on a point of order, I believe the rules clearly provide that response from members opposite should be confined to the facts and not be such as to provoke debate.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, if the Minister is going to see fit to make these announcements in the House we intend to reserve our right to respond to his announcements. That is the Minister's choice.

Mr. Speaker, we would ask the Minister for some further expansion at some point as to whether there are provincial moneys involved in respect to these grant announcements. We would ask the Minister as to what type of control devices are being exercised insofar as the proper distribution of these moneys in order to ensure the objectives that are outlined in the announcement which he has presented to us today.

We are also interested, Mr. Speaker, in finding out from the Minister whether or not the announcement involves only grants or whether in fact the Minister is attaching a condition to the grants that there be some share equity received by return insofar as that payment out of public funds. Are the public to benefit in the event of success of these commercial operations, the manufacturing enterprises, or is the public going to lose, whether or not the particular manufacturing industry succeeds or fails? Mr. Speaker, we ask that question because we recall the escapade in which the First Minister was involved in, along with a former premier of this province, with Churchill Forest Industries, millions upon millions of dollars paid out with no return of equity to the people of the Province of Manitoba.

Mr. Speaker, if the Minister sees fit to make announcements pertaining to DREE grants in this House we have questions, we shall present those questions and we will be looking forward to an opportunity during the Minister's debate pertaining to his Estimates to fully and comprehensively deal with these questions.

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, I beg to table two reports: The Annual Report for the Manitoba Department of Mines, Natural Resources and Environment for the year ending March 31, 1979; and the Conservation Districts of Manitoba Annual Report for 1978.

MR. SPEAKER: Notices of Motion . . . Introduction of Bills . . .

Before we proceed with . . .

The Honourable Member for St. George.

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MR. BILLIE URUSKI: Yes, Mr. Speaker. Before we proceed into oral questions I rise on a matter of privilege of this House, Mr. Speaker.

Yesterday, upon questioning from the Member for Rock Lake, the Minister of Agriculture I believe, Mr. Speaker, knowingly misled this Chamber and the people of Manitoba by stating that the previous government had stopped the flow of hogs from Saskatchewan knowing that this statement was false; and that secondly, leaving the impression that this somehow, an action that happened eight or nine years ago, had some direct influence on the closure of the Swifts plant.

Mr. Speaker, the facts of the matter are that the Manitoba Hog Producers' Board had, through legal action, tried to prevent the importation of hogs by the packing companies to the Province of Manitoba rather than marketing the hogs through the system which they would have allowed in the Province of Manitoba but the packing houses were bringing in the hogs into the Province of Manitoba under the table; and that's what the board tried to prevent, and not the Government of Manitoba.

Secondly, Mr. Speaker, the production of Manitoba hogs during those three years after the Hog Board's restriction, or attempted restriction, which they ultimately lost in the courts through a Supreme Court decision, Manitoba's production was in excess of one million hogs per year, which a amount Manitoba has now just reached in the last year or two.

Thirdly, Mr. Speaker, the Minister's statements were not only phony but they were a red herring trying to cover up his colleagues' indifference and inaction towards the industry and workers that were displaced by the closure of the Swifts plant, Mr. Speaker.

MR. SPEAKER: I thank the Honourable Member for St. George for his interpretation of the statement. I do regretfully have to say it was not a point of privilege.

Before we proceed I should like to introduce to the honourable members . . .

The Honourable Member for St. George.

MR. URUSKI: The matter of privilege is that the Minister did make a statement that it was in fact this action that led to the closure of this . . .

MR. SPEAKER: Order please. Order please. I have to advise the honourable member that once the Speaker has made a ruling the honourable member knows full well what avenues are open to him after that point.

INTRODUCTION OF GUESTS

MR. SPEAKER: At this particular point I would like to introduce to the honourable members the Tanzanian High Commissioner, Chief M. Lukumbuzya.

Chief Lukumbuzya has held several important roles in the last several years. He was Ambassador to the United States and then he was Ambassador to the Nordic countries, and in 1975 he became the High Commissioner in Ottawa.

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

We also have 50 visitors from MacMaster University Chorus from Hamilton, Ontario, as well as 29 students of Grade 5 standing from the James Nisbet Community School under the direction of Mrs. Jenkins. This school is in the constituency of the Honourable Member for Seven Oaks.

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

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, my question is to the First Minister. In view of the policy of this government, demonstrated over the past year of extreme timidity and reluctance enunciating for Manitoba a policy which would clearly define a direction for Manitoba pertaining to energy, his unwillingness to embarrass both Clark and Lougheed, I ask the First Minister if, in view of the announcement by the Federal Minister of Energy, Mark Lalonde, the discussions will be held with the provinces pertaining to a new pricing formula pertaining to crude oil; whether or not the First Minister will continue a policy of not embarrassing his federal counterparts.

M R. SPEAKER: The Honourable First Minister.

HON. STERLING R. LYON (Premier)(Charleswood): Mr. Speaker, without accepting in any way any of the premises which were outlined by the Leader of the Opposition in his rather loose question, I can say to the Member for Selkirk opposite that it will be the intention of this government to continue to work with the new government of Prime Minister Trudeau with respect to a sane energy policy, with respect to pricing and all of the other facets of that policy, without regard really to the particular partisan makeup of Mr. Trudeau's government or the government that preceded him or the Government of Alberta or any other such government.

I realize that these are motivating factors with my honourable friends opposite. I want to assure him and the people of Manitoba they are not motivating factors with this government as they were with his government when he was in office.

For his further edification, Mr. Speaker, because he seems to be suffering either from a want of knowledge or an unwillingness to learn what happened at the publicly televised conference on energy on November 12, 1979, I will be quite happy to provide him or his office with a copy of the statement that was made public at that time by me, speaking on behalf of the government of the people of Manitoba, which in no way reflects any of the words of approbium or suggestion that he has just made misleadingly to the House. After he has read that he might then perhaps be in a position to frame a sensible question.

MR. PAWLEY: A supplementary. The very clear impression has been left by the First Minister over the past two or three months as to his policies, it was one not to intimidate, not to embarrass Clark and Lougheed. I ask the First Minister whether the policy of the Province of Manitoba, his government, is still to urge an increase in the price of crude oil to levels near the world price.

MR. LYON: Well, Mr. Speaker, I am afraid that my friend, the Leader of the Opposition, is again betraying his abysmal ignorance of the energy situation in Canada and I am going to hasten to send a copy of my statement to him because I am sure that upon reflection he will realize that in that statement we talked, as did, and let me remind him of this, Mr. Speaker, as did the nine provinces of Canada, including the socialist province of Saskatchewan which shows a bit more insight into these problems than my honourable friends opposite.

We all agreed, with the exception of Ontario, we all agreed that Canada had to achieve self-sufficiency by 1990. We all agreed that in order to do that there had to be established, and governments use different terminology for the expression of it, a self-sufficiency price, a Canadian self-sufficiency price is the term I believe that I used and that can be verified from the statement that I will send to him. The Clark government at that time was proposing an eventual price to be reached of 85 percent of the Chicago price, which is not the world price in case my honourable friend does not know that.

And I say further, Mr. Speaker, that in the course of our brief to the federal government we talked about rebates to people of low or medium incomes, such as were proposed in Mr. Crosbie's budget which my honourable friend's colleagues defeated; we talked about the federal government involving itself in a form of special rebate for northern residents right across Canada, which I daresay my honourable friend would find some support for.

We talked about a number of other items for a general sane energy policy for Canada. Now if my honourable friend will just stop fleeing epithets across the House, inform himself of what the position of the Government of Manitoba was, inform himself of the fact, Mr. Speaker, that that position, by and large, was supported by nine other provinces in Canada, with the sole exception of Ontario. Then when he has done all of these things we will perhaps pay some attention to his mutterings about energy in this House.

MR. SPEAKER: Order, order please. May I suggest to honourable members that there is a very good chapter in Beauchesne, Fifth Edition, Chapter 9, dealing with questions and the answers to those questions, where answers should be brief and to the point, and where questions ought not to provoke debate. I would hope that members would use their time wisely during the 40 minutes allocated every day to the question period.

The Honourable Leader of the Opposition.

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MR. PAWLEY: Mr. Speaker, I thank you very much for your advice to this Chamber, the question which I posed to the First Minister was precise, it only required a yes or no from the First Minister. It did not require, on the part of the First Minister, a five minute spew of irrelevant comment. Mr. Speaker, further to the First Minister's indication that he wishes to continue lining up with the oil exporting provinces, whether they be Alberta or Saskatchewan. I would ask the First Minister whether or not it's his view that there is more in common, as far as the interests of the province of Manitoba is concerned, with Saskatchewan and Alberta, oil exporting provinces, than with the province of Ontario, an oil importing province?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, the position of the Government of Manitoba with respect to the energy policy expressed by the federal government at the meeting on November 12th, and expressed by the other 10 provinces at that time, was very explicit to anyone who took the time to listen to that conference and to read the briefing papers that came from that conference. Obviously my honourable friend has not done so, and I suggest again, with respect, Sir, that until he does so he's wasting the time of the House asking his frivolous questions.

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HON. WARNER H. JORGENSON (Morris): Mr. Speaker, in response to a question that was posed yesterday by the Member for Inkster, and also an invitation that was extended to me just a few moments by the Leader of the Opposition, and the question dealing with bankruptcies, I would like to answer the question that was posed by the Member for Inkster. He asked if the Minister could confirm that bankruptcies have increased from the last year in which the New Democratic Party was in power, the last full year which was in 1976, and I want to draw attention, Sir, the significance of the honourable member using that particular year. In answer to his question I can tell him that bankruptcies in the province of Manitoba, for that particular period, from 1976 to 1979, did indeed increase by 64.1 percent; but the bankruptcies at the same time, during the same period in other provinces, were as follows: in Alberta, there was a 95 percent increase; in Ontario, there was a 73 percent increase; in Quebec, a 92 percent increase, in New Brunswick, a 223 percent increase; in Nova Scotia, a 97 percent increase, in Prince Edward Island, a 66 percent increase. And I might add that in the province that did not have to, in words of the Member for Inkster, did not have to endure this massive experiment in 18th century capitalism, they enjoyed a 99.5 percent increase in bankruptcies the same period.

Mr. Speaker, the member also attempted to relate foreclosures in the second part of his question to bankruptcies and the two are not the same. I should also draw to his attention that there is also a pretty significant difference between business bankruptcies in the province of Manitoba and personal bankruptcies. And the reason why my honourable friend chose 1976, because the end of 1977 - and I don't have to remind the honourable members that they were in power for 10 of the 12 months of that year, and it would be stretching the imagination a little bit too much to suppose that there would be a moratorium held on bankruptcies in those first 10 months - the bankruptcies in 1977, from 1976, increased by 115 percent, from 53 to 114. And then in the first full year, in the first year that the present government was in power, they dropped to 80 - these are business bankruptcies - and then rose again to 90 in 1979 when the last figures are available.

Personal bankruptcies have indeed increased as they have all across the country and I don't think that even my honourable friend can draw any conclusions other than the use of credit that is becoming so predominant in our society today has contributed a great deal to the personal bankruptcies across Canada.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I am pleased to see that the Minister for Consumer Affairs has learned from the former Member for Rossmere as to how to deal with comparable statistics, which were not accepted by honourable members in previous years.

Mr. Speaker, I have a question to direct to the Honourable Minister of Education. Due to the fact that Winnipeg School Division No. 1 has indicated that there is to be a drop in

pupil/teacher ratios due to difficult financing will the Minister see to it - excuse me the ratio has increased, that is correct - will the Minister see to it that a condition of public funds going to private schools be that there be no preferable or more favourable pupil/student ratio in the private schools than there is in the public schools?

MR. SPEAKER: The Honourable Minister of Education.

MR. COSENS: Mr. Speaker, I think the Member for Inkster is being a bit facetious again.

I would suggest to him that school boards certainly have within their jurisdiction to make the determination as to what particular pupil/teacher ratios they may have in their Divisions.

If Winnipeg School Division has decided that they will go with a certain teacher/pupil ration, then that is their decision, although I have received no confirmation of that to this point.

MR. GREEN: Mr. Speaker, the First Minister should indicate to the member that he obviously can't understand the question and therefore I will repeat it.

Will the Minister see to it that if teacher/pupil ratios are made less favourable in the public school system, that as a condition --(Interjection)-- it is not hypothetical - as a condition of public moneys going to private schools, there be no more favourable situation in the private schools than is made necessary in the public schools by the restraint program?

MR. COSENS: Mr. Speaker, there has been nothing in the formulas that have applied to the schools of this province that has ever guaranteed a certain pupil/teacher ratio and I can foresee nothing in the future.

MR. GREEN: Mr. Speaker, to the Minister of Education. In view of the evident deterioration of the public school system, will the Minister of Education see to it, in his position of controlling educational standards throughout this province, that the private schools will not have more favourable conditions than the public schools because of the restraint program and that those private schools that receive public taxation money not be able to develop an elite system alongside of a public school system which is being damaged by the actions of this government?

MR. COSENS: Well, Mr. Speaker, I have heard these arguments from the Member for Inkster before. If he's going to talk about evident deterioration then I would like him to really back it up with some proof.

He can throw out adjectives that are more or less attuned to trying to get people emotionally disturbed and so on all he wishes. I suggest that he back it up with some proof when he starts to talk about deterioration.

MR. SPEAKER: The Honourable Member for Burrows.

MR. BEN HANUSCHAK: Mr. Speaker, I wish to direct my question to the Honourable Minister of . . .

MR. SPEAKER: Order. Order please. Can we have a little decorum in the Chamber, please?

The Honourable Member for Burrows.

MR. HANUSCHAK: Thank you, Mr. Speaker. I wish to direct my question to the Honourable Minister of Economic Development and Tourism.

Could the Minister explain his fishes and the loaves trick as it relates to the corporate welfare payment announced a week and a half ago by him and namely the \$300,000 welfare payments to K-Cycle in that the Order-in-Council states that the Minister has sufficient funds in his appropriation, but according to the Estimates, the House approved only \$24,000 for this purpose. In other words, how did the Minister manage to pay \$300,000 out of a \$24,000 appropriation?

MR. SPEAKER: The Honourable Minister of Economic Development.

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MR. JOHNSTON: Mr. Speaker, it's an Enabling Vote and a very good question for the Estimates.

MR. HANUSCHAK: Mr. Speaker, I would like to ask the Minister then how he would explain the phrase "within the Order-in-Council" which states very clearly, and whereas the appropriation for the Department of Economic Development and Tourism for the fiscal year ending March 31, 1980, contains an item in which there are sufficient moneys available to make this grant.

MR. JOHNSTON: That's correct, Mr. Speaker, there are sufficient funds to make the grant.

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

MR. HANUSCHAK: Yes, Mr. Speaker. But according to the Estimate book, Mr. Speaker, would the Honourable Minister then explain that if he says that there are sufficient funds but the book only shows \$24,000 and not \$300,000 under this appropriation?

MR. JOHNSTON: Mr. Speaker, I explained it's an Enabling Vote and it's a very good question for the Estimates.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. JUNE WESTBURY: Mr. Speaker, my question is addressed to the Minister of Health and refers to the proposed renovations to the Winnipeg Municipal Hospitals which he announced last week. There's quite a considerable amount of confusion as to just what this proposal covers, Mr. Speaker, and I would like to ask the Minister whether this is a reapproval of the functional program which was approved by the former Tory government in 1967 which included upgrading of all the rooms in the existing program and did not take place; or whether it's the 1972 program which cancelled the 1967 one and authorized reactivation and upgrading of the 1964 Chronic Extended Care Program; and whether it in turn cancels the construction of a new personal care home including an addition of 40 new beds for the polio patients which was cancelled or delayed because of restraint in 1978. Which program is it or is it none of these please, Mr. Speaker?

MR. SPEAKER: The Honourable Minister of Health.

HON. L.R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, to the best of my knowledge, it's none of those. But I will re-examine the parameters of the program and advise the honourable lady further.

It's my understanding that the project has to do with the regeneration and conversion of the former nurses' residence on the municipal hospital site to accommodate many services of the hospital that are now in overcrowded environments.

There is no cancellation of the proposed future development of a personal care home on the site.

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

MR. D. JAMES WALDING: Mr. Speaker, my question is to the Honourable Minister of Education.

In answer to a question a few days ago he used the words, "we are studying very carefully some new system of grants" - for education, that is. I wonder if the Minister could inform the House as to the nature and form of the study.

MR. SPEAKER: The Honourable Minister of Education.

MR. COSENS: Mr. Speaker, since the first week we came into government I have been conducting a study; it's among the senior members of my staff, those who have special training in the area of educational finance, and they have been looking very carefully at all aspects of this particular problem. As I say, we've had two years at it, we feel we are getting closer, that we do have some alternatives that we can look at at this time. I would be quite willing to go into this with more detail with the member during my Estimates, if he so desires.

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MR. WALDING: A supplementary question, Mr. Speaker. I would like to ask the same Minister whether he has received a preliminary or interim report from this study group yet.

MR. COSENS: Not an official report, if the member is speaking of a report in the sense of something that is bound and submitted to this House. It's an in-department study that has been carried on for some time.

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

MR. WALDING: A final supplementary question, Mr. Speaker. In view of the meetings to be held in various Winnipeg schools tomorrow evening, is the Minister now in a position to inform the House as to the value of the Foundation Program to Winnipeg School Division No. 1?

MR. COSENS: Mr. Speaker, I took that question as notice from the honourable member and I will get that information for him. I can only advise him at this time that the level of support provided by this government is exactly the same level as last year; it has not been diminished. In fact it might be of interest to him that the level is the same as the provincial support in 1976.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: Thank you, Mr. Speaker. My question is to the Minister of Health. Can the Minister confirm that he stated last December that, and I quote, "Manitoba is the fifth largest province and the fifth wealthiest province in Canada and the net income earning opportunities for the medical profession should be the fifth in Canada". Can he confirm that he made that statement or words to that intent and that effect last December?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: I can't confirm the date, Mr. Speaker, but I can confirm that I have made statements to that effect and it remains my conviction.

MR. SPEAKER: The Honourable Member for Churchill.

MR. COWAN: Thank you, Mr. Speaker. Well, if the Minister will trust me that those statements were quoted as being made last December, can the Minister then confirm that figures released earlier today by the Canadian Union of Public Employees indicate that at the same time the Minister was making that previous statement that I just quoted, to use only one example, wages for housekeeping aides working in many Manitoba hospitals were the ninth lowest in comparison to wages paid for the same job classification in other provinces?

MR. SHERMAN: No, I can't confirm that, Mr. Speaker.

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

MR. COWAN: Thank you, Mr. Speaker. Speaking to the general subject, the general question then, is the Minister prepared to recommend that in keeping with his early statement, in specific, housekeeping aides and, in general, health sector workers in the Province of Manitoba should also enjoy at least the fifth highest net income opportunities in Canada? Can he confirm that that would follow and he would recommend that according to statements he had made last December in regard to the medical profession in general?

MR. SHERMAN: Mr. Speaker, all things being equal, that would certainly be my inclination and certainly be my approach to the compensation of professionals or semi-professionals and others in our health care field. However, I would point out, that with respect to the medical profession, with respect to the lures and attractions that exist in other jurisdictions, particularly in the United States, that Manitoba and other provinces in Canada are in an extremely volatile and competitive market, Mr. Speaker. I think one would concede, even if he or she sits on that side of the House, that the central, fundamental, most important ingredient of our health care system remains our doctors.

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MR. SPEAKER: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Thank you, Mr. Speaker. My question is for the Minister of Highways, in his capacity as being responsible for the winter roads system. I wonder if the Minister would undertake to maintain the winter road system open at least two weeks longer at the end of the season, given the fact that the winter road was at least two weeks late in commencing this winter.

MR. SPEAKER: The Honourable Minister of Transportation.

HON. DON ORCHARD (Pembina): Mr. Speaker, the winter road system, it is the department's intention to leave the winter road system open and operating as long as is necessary to move in the needed goods and services to be provided to the community serviced by winter roads.

MR. BOSTROM: My second question, Mr. Speaker, is to the Minister of Resources, and I would ask him if he has received a letter from the Norway House Fishermens Co-op in which they state, as members of the Norway House Fishermens Co-op, that they have unanimously rejected the proposed licence leasing system he is proposing and indicate they are happy with the existing system and that they are satisfied with the way the Freshwater Fish Marketing Corporation is presently operating. And in case, Mr. Speaker, the Minister is not aware of this letter and does not have his copy, I will provide him with a copy by way of tabling this letter for the House.

MR. SPEAKER: The Honourable Minister of Natural Resources.

MR. RANSOM: Not to my knowledge, Mr. Speaker, but I am very pleased to see that the condition of the fishery has improved so much over the past two years.

MR. SPEAKER: The Honourable Member for The Pas.

MR. RONALD McBRYDE: Mr. Speaker, I have a question also for the Minister of Resources. I wonder if the Minister could tell the House whether or not the payments to fishermen for the fish transportation subsidy, whether those payments have gone out in the last week or so and, if not, when they will be going out to fishermen.

MR. RANSOM: I will be happy to take the question as notice, Mr. Speaker.

MR. McBRYDE: Mr. Speaker, while he is taking that question as notice perhaps he could also inform the House why the payments are so late for this year.

MR. RANSOM: Mr. Speaker, I said that I would be happy to investigate the question of the transportation subsidies, and I shall do that and report to the House.

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

MR. McBRYDE: Yes, Mr. Speaker. Again a question to the Minister of Resources, which is a repeat of a question I asked him a week ago. I wonder if the Minister could now indicate where, if anywhere, qualified fishermen are receiving fishing licences as per his announcement.

MR. RANSOM: I think, Mr. Speaker, if I recall the question correctly, that the response would be that any fisherman in the northern area who had qualified or had been fishing during the past three years was able to qualify for a winter fishing licence this year.

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

MR. URUSKI: Thank you, Mr. Speaker. My question is to the Minister of Health, following statements that he made the other day in the paper concerning the operations of the Lakeshore District Health Board, and I would like to ask the Minister of Health whether he now is prepared to allow the board to operate in its democratic fashion and abandon his interference with the board.

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MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Well, Mr. Speaker, that course of action will differ no way with the action that has been followed is the past and the board itself, or at least the Executive Council of the board, with whom I've been in contact in recent days, will be meeting with me or I will be meeting with them during the month of March to dot the "i's" and cross the "t's" on the final plans for that district system.

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

MR. URUSKI: Will the Minister indicate to this House and to the people of the area, since he mentioned to members of the board, that since he had received a petition of 500 signatures, that this was the reason why there was a holdup against the board's decision when they prioritized that Eriksdale should be built first and both homes should be built together? Would the Minister now, if he was presented with a petition of the majority of citizens in that district board, allow that decision to be the decision that will guide him with respect to the interference that he has had with the district board?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, the petition to which the honourable member refers had no fundamental bearing on the decision that was made, or the course of action that's being followed, to any extent greater than any other submission or entreaty or approach that was made to me. All four municipalities in the local government district involved in that district health system made continual entreaties to me. What the government is trying to do is balance those legitimate ambitions.

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

MR. URUSKI: Thank you, Mr. Speaker, then following the Minister's statements it should follow that the Minister should have accepted the majority of the decision with only one dissenting member, the decision of the district board to prioritize and have the government accept the original proposal of the board that was accepted by the Manitoba Health Services Commission, the district board and the previous government, but rejected by this government and those two Ministers, Mr. Speaker.

MR. SPEAKER: Order please. Order please. May I point out to the honourable member that he was using the question period for making statements, which is hardly the proper use of the question period.

The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I'd like to direct a question to the Honourable Minister of Economic Development, pursuant, Mr. Speaker, to his statement of providing social assistance to needy industrialists. Would the Minister confirm that the announcements made thus far, in the last 10 days, indicate public taxation and public funds going to private business to the extent of roughly \$1,200,000, which is four times the loss experienced by Morden Fine Foods which the present government said was intolerable.

MR. SPEAKER: The Honourable Minister of Economic Development.

MR. JOHNSTON: Mr. Speaker, I don't accept the fact that the grants that were made by the federal department of DREE were in any way, shape or form the way the honourable member puts it. You know, to clarify the mind of the honourable member, the number of projects that I announced today were projects that were planned and worked on by Manitoba manufacturers for either expansion or new ones. They have every opportunity to apply to DREE. I don't see that there is any relationship whatsoever to Morden Fine Foods.

MR. GREEN: Mr. Speaker, will the honourable member confirm that this expenditure of public funds, to assist needy industrialists, will, Mr. Speaker, not be shown on any set of books as constituting a loss to the public, because the Progressive Conservatives have eliminated losses by giving gifts.

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MR. JOHNSTON: I can certainly verify; I think I'm correct, Mr. Speaker, when I agree that it won't show on any set of provincial books. It will show in the books of the companies who have made application to federal DREE, and it will probably show in the federal DREE books what assistance they've given.

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

MR. GREEN: Yes, Mr. Speaker. Will the Minister confirm that if these moneys were shown as loans, which is done by businesslike people and which was done by a businesslike government in the past, that present interest rates being what they are, \$1 million now with interest rates at 17 percent in the United States, that that will represent a loss, if it was shown as a loan, within 5 years of over \$2 million.

MR. JOHNSTON: If the honourable member wishes or believes that it should be shown as a loan; it wasn't a loan, they were grants by DREE. And I might say, Mr. Speaker, they were grants by DREE which are available to the people of Manitoba, manufacturers of Manitoba, because we are designated as such by the federal government. It's as purely and simply as that.

MR. EVANS: Thank you, Mr. Speaker. I, too, would like to address a question to the Honourable Minister of Economic Development and ask the Honourable Minister, respecting the DREE grants which are federal grants normally announced by the federal government, whether these particular announcements were indeed made previously by the federal government, and if so, when were these announcements made by Ottawa?

MR. JOHNSTON: Mr. Speaker, I tried to make the announcement yesterday, but through my own neglect forgot to bring copies of the announcement, and I was asked to make the announcement at another time. That's why I started my statement, Mr. Speaker, by saying the following has been announced. If the honourable member would read that statement he would find that and it was announced in the papers and I wasn't able to make the announcement yesterday. But I see nothing wrong, Mr. Speaker, and I'm quite aware of the fact that it hurts members on the other side to see any devopment of economic development, or expansion of manufacturing and jobs in this province. And I know that it hurts them but I intend to keep telling them when it happens in this province.

MR. EVANS: Thank you, Mr. Speaker, a supplementary. While I was Minister of Industry many DREE grants were announced by Ottawa, and the procedure was for the federal government to announce, so my question to the Honourable Minister, Mr. Speaker, is whether there is any provincial money going into these particular enterprises which would justify an announcement by the provincial Minister or is this entirely federal money that were talking about?

MR. JOHNSTON: Yes, it's entirely federal money, Mr. Speaker, and the member also says that they were done during his time. Well, then he should have taken the opportunity, as is being done now - I don't know whether it was done then, but if it was being done then - he should have announced that the Department of Economic Development of the province of Manitoba has worked with all of these people to bring this to happening and we are very proud of the fact that we are able to assist people to advance the manufacturing in this province. We have been involved in all of them.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, I'd like to direct a question to the Minister of Cultural Affairs and ask her if she would confirm that Mary Liz Bayer has resigned from her department?

MR. SPEAKER: The Honourable Minister of Cultural Affairs.

HON. NORMA L. PRICE (Assiniboia): Yes, Mr. Speaker.

MR. DOERN: Could the Minister indicate whether Ms Bayer's resignation was due to a disagreement with government policy?

MRS. PRICE: No, I can't, Mr. Speaker.

MR. DOERN: Could the Minister indicate whether Miss Bayer's resignation was due to a disagreement with government policy?

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MRS. PRICE: No, I can't, Mr. Speaker.

MR. DOERN: Well, could the Minister indicate on what basis this distinguished public servant took an early retirement?

MRS. PRICE: Mr. Speaker, she had been speaking about it for the past year, wanting to do a little free-lancing and some writing of children's stories that she does so well, and when she was in B.C. last December, she made plans for an early retirement.

MR. SPEAKER: The Honourable Member for Burrows.

MR. HANUSCHAK: Yes, Mr. Speaker. I have a further question that I wish to direct to the Honourable Minister of Economic Development. In view of the fact that the Order-in-Council approving the corporate welfare payment to K-Cycle appears to be a carte blanche in that it does not show the terms and conditions under which the grant was made, could the Minister indicate what checks and controls are imposed on recipients of such grants to assure Manitobans that the funds will be used for the intended purposes and not, number one, to build houses in Tuxedo for company presidents or, number two, that Manitobans will share in the economic benefits, if any, from such welfare grants?

MR. SPEAKER: The Honourable Minister of Economic Development.

MR. JOHNSTON: There are three parts to that question, Mr. Speaker, and the second part is not worth answering.

Well, Mr. Speaker, I say to the honourable members that they've created a class distinction in this province, if they can, and that's one of the reasons you just heard that they do do it.

Mr. Speaker, there were negotiations with K-Cycle. I was questioned about K-Cycle in my Estimates last year, by the Member for Transcona as a matter of fact, when he showed great concern as to whether we might lose K-Cycle to the United States.

K-Cycle has been working in Manitoba for a long time and I might say also that K-Cycle has had the opportunity, probably, to leave this province more than any other company and he has loyally stuck with the Province of Manitoba.

I could also say that the development of the negotiations we have with them, the building that is there - the test building - is separate from all the other buildings. They became overcrowded for research, experimental work and testing at the University of Manitoba. We have an agreement with them to test all other types of fuels in engines, on those engines' stands. We have an agreement with them that the facility can be used for testing for other companies in the Province of Manitoba.

We also, Mr. Speaker, have arrangements with them whereby we have a mortgage on the building with the agreement but the people's money is in a very stable position and the building is getting used for research and development, which is a necessary thing in this province.

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

MR. HANUSCHAK: Yes. My supplementary question is, Mr. Speaker, now that we've heard the Minister's praises of K-Cycle, which I did not in any way criticize, would the Minister now answer the question put to him of what checks and controls are imposed in agreements related to such welfare grants to assure that the moneys will be used for the purposes designated?

And secondly, what checks and controls are incorporated into agreements between the recipients of grants and government to assure that the people of Manitoba would reap the benefits of any successes that the grants of this kind may generate?

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MR. JOHNSTON: Benefits, if the K-Cycle engine produces the results that it looks like it's going to produce; the benefits of energy-saving for everybody in Canada and North America, and the world will benefit. All of our farmers will benefit. We will be able to test engines there that will work on farm machinery, which is part of our program. —(Interjection)— I told the honourable member that the checks and balances are there to protect the people of Manitoba's money.

We now have a research facility that is being used by K-Cycle, who are not welfare bums, who are fine people in the Province of Manitoba, and we will continue to work for research in this province for the development to the benefit of the people of Manitoba.

MR. SPEAKER: Order please. The time for Question Period having expired, proceed with Orders of the Day. Order for Return.

The Honourable Leader of the Opposition on a matter of privilege.

MR. PAWLEY: Matter of privilege, Mr. Speaker. I would appreciate, Mr. Speaker, if you were able to indicate whether or not you've had an opportunity to peruse the matter which you took under advisement yesterday, referenced to on Page 318 of Hansard.

MR. SPEAKER: I have not had the opportunity as yet.

ORDERS OF THE DAY

ORDER FOR RETURN NO. 1: On Motion of Mrs. Westbury, Order for Return.

THAT an Order of the House do issue for a Return of the following information:

- (1) The legal description and civic address (i.e., street and number) of each parcel of land owned, leased or rented by the Province of Manitoba within the area bounded on the north by Graham Avenue, on the east by Garry Street, on the south by Assiniboine Avenue, and on the west by Kennedy Street.

MR. SPEAKER: The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, I am pleased to accept this Order.

BUSINESS OF THE HOUSE

MR. SPEAKER: The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, perhaps I could advise all members of the order in which Estimates will be considered in the House and outside the House.

Inside the House, it is, as discussed with the Opposition House Leader: Labour and Manpower will proceed today; followed by Civil Service; Natural Resources; Education; Health; Community Services and Corrections.

Outside the House, in Room 254, beginning tomorrow, will be the Attorney-General's Department; followed by Highways and Transportation; Fitness, Recreation and Sport; Co-operative Development; Government Services; Cultural Affairs and Historical Resources; Urban Affairs; Consumer and Corporate Affairs and Environment; Finance; Energy and Mines.

The balance will be indicated at a later date, Mr. Speaker.

Mr. Speaker, I move, seconded by the Minister of Government Services, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair for the Department of Labour and Manpower.

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COMMITTEE OF SUPPLY - LABOUR AND MANPOWER

MR. KOVNATS: Order please. I would direct the honourable members' attention to page 68 of the Main Estimates, Department of Labour and Manpower, Resolution No. 89, Item 1. General Administration, (a) Minister's Compensation.

The Honourable Minister.

HON. KEN MacMASTER (Thompson): Mr. Chairman, I have a few opening remarks I would like to make which will take a few minutes but I want to run through, very briefly, some of the events of 1979 and where we think we're going in the Department of Labour in 1980.

First, Mr. Chairman, I want to wish you well as we open the review of our government's and my department's spending Estimates for the fiscal year of the 1980s. I also want to assure you, Sir, of my full co-operation. As you can easily see by our 1979 Annual Report the Department of Labour and Manpower has just enjoyed an extremely successful year.

Mr. Chairman, some people like to think of the spending Estimates as being something like a duck hunt. They picture the Cabinet Ministers as being the ducks flying over the honourable members opposite who are armed with guns and loaded questions. If we carry that picture a little farther then I guess I could be considered the lead duck. But I, nor any of my Cabinet colleagues, are afraid of the questions of the honourable hunters opposite because we know that really in fact they will be firing blanks in this particular case.

Our government is one which is serving all the people in Manitoba and serving them well just as we had promised we would.

As indicated in the Annual Report last year was one of action in consolidation and reorganization. The Manpower Division has been fully integrated into the department's operations and with the new personnel on the Manpower side we can promise substantial job training, job opportunity, job creation. Programs will be available to working men and women and to those who want to enter the labour market.

On the Labour Division side of the department we will be continuing our considerable efforts to improve the labour relations climate in Manitoba, an industrial climate which promotes harmony and respect between management and labour. We also will be strengthening and expanding our initiatives and programs in the important field of Workplace, Safety and Health.

Mr. Chairman, our government was the first, and I repeat, was the first, to advance certain bold new initiatives designed to upgrade and secure the safety and health of working men and women in the places of their employment. Initiatives like the Lead Control Program, like the Asbestos Control Program, like the Mining Safety Review, like the study presently now in place by the Lampey Committee into the procedures of the Workmens Compensation Board.

I would go so far, Mr. Chairman, as to say that the members opposite would be hardpressed to find another year, another year, when so much was done for working men and women of Manitoba, in terms of employment opportunities, job creation, in terms of implementing better systems in the workplace, safety and health area, and in terms of a progressive industrial climate.

The year 1979 was marked by accomplishment and by progress, coupled with what I consider to be sound fiscal management. In addition to the dynamic new directions of the department we also built upon the strengths of the past.

Mr. Chairman, my department, as the name indicates, has two divisions. Manpower joined the traditional Department of Labour in late 1978, with staff coming from Departments of Education, Northern Affairs, Agriculture, Economic Development and Municipal Affairs.

We're quite excited about the activities of the Manpower Division and the innovations and improvements since the arrival of its new Executive Director, a Mr. Orville Buffie.

As we go through the Estimates, Mr. Chairman, you will learn about the innovative approaches and substantial programs which the Manpower Division has, and which it is pursuing in co-operation with unions, management, educators, the federal government, and other provincial government departments. With our very low unemployment rate in Manitoba the Manpower Division has to be extremely flexible and innovative in order to be successful.

Mr. Chairman, the Throne Speech referred to our government's desire to help business and industrial sector to develop and to grow. One important aspect of this strategy is the need for trained and qualified workers to fill the jobs essential to our province's economic growth and future well-being.

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Through discussions and negotiations with the federal government my Manpower staff have been able to increase the amount of funding for training in institutions like the community colleges; they have also been able to increase the amount of federal funding to train employed and unemployed workers on the job; and they have obtained substantial new funding for training workers in the critical skills area.

Mr. Chairman, management and labour have been involved in helping the Manpower Division to identify where training and funding should be directed. The advisory group includes representatives from the Mechanical Contractors Association, several companies, and several unions. We are examining new methods for attracting more workers into the blue collar trades and we are relying on our revitalized trade advisory committees for advice.

The Throne Speech mentioned expanding vocational education opportunities at the Assiniboine Community College in Brandon and the development of a variety of on-the-job training programs in Manitoba schools. The Manpower Division is co-operating with the Department of Education to bridge the gap between schooling and careers, especially in skills which relate to the apprenticeship trades. Special attention will be given to helping women enter non-traditional occupations. In conjunction with this program the Manpower Division intends to introduce the concept of career resource centres. These centres, supported by the Manitoba Federation of Labour, would be designed to provide informational materials, career planning and counselling, and to deal with all age groups rather than a specific target group.

The Centres Advisory Committees would be comprised of representatives from labour, management, parents, business, education, and other appropriate government departments.

Mr. Chairman, Manitoba traditionally welcomes about 4 percent of Canada's new immigrants each year. With the Indo-Chinese refugees that percentage was up last year. Manitoba welcomed about 1,500 refugees last year, and the total is expected to climb to about 3,000 by the end of this year. I want to applaud the many volunteers who have demonstrated generosity and the best qualities of mankind in helping the refugees make a new life in Manitoba.

Mr. Chairman, our government has always prided itself in representing the interests and aspirations of all working men and women, both unionized and non-unionized, and our record I think proves that. Last month there were 442,000 Manitobans working. Our unemployment in November and December was at a three-year low. There are approximately 24,000 more jobs created than when we first came into office. Permanent private sector jobs, not the type of jobs created at the taxpayers' expense just to fulfill the whim of certain Cabinet Ministers, as was often the case under the former administration. Nor have these 24,000 jobs been created at the expense of the merit principle in the Civil Service.

Mr. Chairman, my honourable friends in opposition have this strange notion that somehow population growth is directly tied to economic growth. Add a person and you add economic growth they say; because it is so simplistic that sort of thinking is an easy trap for people to fall into. Now some members of the new media apparently believe that the wealth and economic growth of our province is tied by some sort of cord to its population figures. While the members opposite may believe that population and prosperity are one and the same, I would suggest that doubling Manitoba's population tomorrow would not automatically double our economic security.

But, Mr. Chairman, the point is that fewer people have left Manitoba on an annual basis under our progressive and job-creating administration than under the previous government. Our government has lowered the unemployment level and we have created more jobs than the members opposite did when they were in office. Yet, when my colleague, the Minister of Natural Resources, who is also the Chairman of the Treasury Board, stand up during the Throne Speech Debate and provides the true facts, the media ignored him. I hate to sound like someone who wants to blame the messenger, however, Mr. Chairman, I do wonder about the accuracy and fairness and professionalism when the charges of the members opposite are prominently featured in the news reports and the facts or rebuttal by the Chairman of the Treasury Board is not reported except in Hansard.

Let's just review the facts as presented by the Chairman of the Treasury Board when he responded to the myths of the out-migration parroted by the members opposite. The myth is that people are rushing to leave Manitoba for so-called greener pastures. The facts - the facts are supplied by Statistics Canada are that in the eight years, from 1969 to 1977, the average out-migration from this province was 34,643 people on an annual basis. From 1977 to 1979 that figure was down by more than 1,300 people to 33,333. The Chairman of the board, the Treasury Board supplied those statistics over a week ago and challenged the honourable members opposite to prove him wrong. To date we have not heard a peep back from him.

The reason is obvious, those are the facts and that's the end of the question. The headlines and the scare stories about people leaving Manitoba in droves are just so much rubbish.

The Chairman of the Treasury Board also deflated the myth about no job opportunities for young Manitobans. The statistics proved conclusively that thousands of jobs that have been created, have gone to the young, they've been going to managers and to professions. Our government's policies have encouraged private enterprise to create 24,000 jobs in the last two years, and we have not relied on short-term, make-work jobs to artificially inflate our employment record. Our employment record is immensely superior to that which bites the former administration's scorecard where a mere 10,000 jobs were created between 1974 and 1977.

Mr. Chairman, I now want to talk briefly about the labour division. As the Annual Report indicates we had a super year there and I don't intend to get into the details on the different branches. I also don't intend to talk in any detail now about the programs mentioned in the Speech from the Throne. What I do want to talk about is a new direction and the new focus in industrial relations we've been able to help develop over the past year. We enjoyed an excellent year in 1979 in terms of industrial relations. We recorded the lowest number of days lost due to strikes and walkouts in Canada. We could say we were really the lowest because the only province with a better record was Prince Edward Island which is a fine province, Mr. Chairman, but it's hardly a heavy organized or industrialized particular province. More important, Mr. Chairman, much more significant is what happened to the conduct and the mood of labour relations in Manitoba last year, specifically in the construction industry.

Less than two years ago labour disputes cost the construction industry about 154,000 lost days. It also cost the industry some of its credibility and some of its reputation. Those strikes in 1978 also, Mr. Chairman, planted a seed of distrust and hatred which could have ruined the industry for decades. Mr. Chairman, I'm proud to say that the construction industry today is involved in a dynamic and progressive challenge to develop solid and meaningful labour relations.

Working with Cam MacLean and John Atwell of the Labour-Management Review Committee, a 15-member sub-committee has been at work for about a year. It includes representatives from Labour, from the companies and from my department. Through their efforts both sides are talking to each other, developing new understanding and new harmony. They have held several seminars at Hecla Island; our department hosted the first and industry sponsored several more. On December 1st, Mr. Chairman, about 150 people gathered at the Winnipeg Inn for a special one-day seminar. The credit obviously belongs to the construction industry, to the business and union leaders, who brave the ridicule and the scepticism, and who put aside past animosities and prejudices to try and make a new beginning. The construction industry, with the 18 unions and their 7,000 members, and the 140 members of the Construction Labour Relations Association of Manitoba knew things had to change, they were losing too much business to non-unionized employers. While the credit truly belongs to the industry and to the dedication of men like Cam MacLean I like to think that my department and my attitude played a part.

The emphasis has been on co-operation without government regulation. As I've said so often in the past few months, our government believes that voluntary is always better than compulsory. I'm not predicting that construction unions and companies will now live in eternal bliss, in fact, everyone expects that their bargaining this year will again be tough. But the construction industry has made a new beginning in labour relations, and I'm hopeful we will have similar breakthroughs in other sections.

In closing, Mr. Chairman, I would like to just comment on the Advisory Council on the Status of Women. While I won't release precise details at this time, I'd like to say that the council's formation, plus other departmental programs demonstrates our government's concern for the special issues faced by women in Manitoba.

Mr. Chairman, I want to add one final comment about my department's proposed spending estimates. Specifically I want to clear up the misconception that we are going to be spending less in important areas like workplace, safety, health, job creation and youth employment. Our proposed spending is down by about \$3.5 million. If you would take a minute or two to study the Estimates, the reason is obvious. The five-year municipal loans program is ending this. That alone has reduced our spending Estimates by over \$4 million. The Municipal Loans Program has been given about \$1 million in order to complete our obligations to the municipalities. Mr. Chairman, if you take away the Municipal Loans budget you can easily

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see that our department will be spending about half a million dollars more this year in Labour and Manpower division programs. We have been able to keep that increase at this figure through astute management and proper planning.

As we go through the Estimates, and as our programs are implemented in the coming year, it will clearly be demonstrated that our department is going to be doing more than ever before in the important areas of job safety, industrial relations, job creation, apprenticeship training, special employment education and employment opportunities for our youth and for the disadvantaged.

Mr. Chairman, my department and our government are well on their way to creating the economic climate which will see Manitoba prosper. We are training men and women to be qualified for the jobs that are being created and which will be created by private enterprise in the future. The Department of Labour and Manpower is people-oriented; it is concerned about working men and women in this province. Our programs and our policies and our many accomplishments prove that, Mr. Chairman. Thank you.

MR. CHAIRMAN: The Honourable Member for Churchill.

MR. COWAN: Thank you, Mr. Chairman. Well, I am overwhelmed by the Minister's modesty in explaining what he and his department have been doing over the past year, and almost at a loss of words, almost, Mr. Chairperson, but not quite. I would just like to apply my thoughts and my comments for the next few moments to some of the suggestions and some of the statements that the Minister has made over the last couple of minutes. I will try to resist the temptation to give my speech of yesterday, except to tell the press that I was right. The Minister still believes that there is an NDP media conspiracy out here, or out there, and I can only suggest that you will report him, you will report him accurately, fairly, unbiased, smilingly, and with glee. Obviously it is a sore point with the Minister that the facts are becoming public, that the people of this province are having an opportunity to understand exactly what it is that is happening in this province. And they do understand, we know that, and they are not being fooled by the convincingly, or supposedly convincingly, hopefully convincingly statements of how things are improving so much.

I was saddened a bit, Mr. Chairperson, by the Minister's initial opening remarks about the duck hunt and the scene that he drew, one of confrontation. He was setting the stage for these Estimates. He was setting the stage for these next few months in this Legislature which is something that I had said yesterday, it's going to be a rough session. And as I had mentioned to the Speaker at that time, I was concerned that he sat betwixt and between this bubbling boiling storm, and wished him well. I do indeed, Mr. Chairperson, share the same concerns for your honourable position and do indeed also wish you well and hope and know that if you operate in the manner in which you have operated over the past number of sessions that I've had the privilege of speaking in this committee with you as Chairperson, I know that things will go well. You have a remarkable capacity to smooth the waters when at times we do churn a bit too much in here.

The Minister mentioned about his first, his government's first, the new initiatives, as if these were ideas that the Minister was sitting back and all of a sudden came to him. He talked about lead. Well, if the Minister will take the time to remember and if he can't remember, if the Minister will take the time to check the record, he will know; and if he is honest in his assessment, he will tell us that much of what happened in the lead-using industries in this province in the last two years, came as a result of prodding and pushing from this side of the House and from the workers involved in that industry who have gone up against the Minister and they have not found him an obliging person, Mr. Chairperson. They have not found him to be convincingly on their side and wanting to work to rid the province of this lead poisoning crisis as quickly and efficiently and as effectively as one would have hoped. I know that and you know that, Mr. Chairperson, because you sat through those many long question periods and hours of debate in this House where we pulled the Minister, dragging, kicking, screaming and clawing all the way into what little action his government did take. And then, many times it was not the proper action, but in certain instances they did take the proper action and for that I commend the Minister.

The Minister has, and let me be totally fair in this, the Minister has brought forth some initiatives and some of them have been workable, and some of them have been good initiatives, and I would hope that he would continue along that path rather than having to wait for us to push and prod, and push and prod, because quite frankly, Mr. Chairperson, there are many other hazards out there, workplace hazards, which the Minister well knows, and has made reference to in the Throne Speech, that I would like to get about to discussing.

One of them of course is asbestos. And again, it is as if a brainstorm struck the Minister. One day he was sitting there and he said, Oh, my goodness, we have an asbestos problem in this province. And then he went out and developed a program. Well, that is not how it happened, Mr. Chairperson, that is not how it happened at all. And again, dragging, kicking, screaming, clawing all the way, we dragged the Minister into implementing something.

I remember having to go out to the Winnipeg School Division No. 1 supply facility. I remember very well what was happening there and what had been happening for near on a year in regard to the asbestos there. And it wasn't until after that, after there was a great deal of public pressure exerted, after there was a great deal of pressure exerted by the workers in that facility and their union, and after there was a great deal of pressure exerted by the NDP official opposition that anything substantial was done. It was not until that happened that we had progress.

And the Mine Safety Review Committee, Mr. Chairperson, I am certain you remember that the Mine Safety Review Committee was as a result of suggestions from the Thompson Local of the Steelworkers, Local 6166, a Local of which the Minister is a former member. . . --(Interjection)-- Former president, and the Minister of Government Services has asked me to sit down, on his way through the Chambers. I assure him that I will be sitting and standing and sitting and standing throughout these debates and I will try to do the best job that I can on behalf of the working people of this province and my constituents.

But back to the point of the Mine Safety Review Committee which does affect my constituents very much because a lot of them are miners; and it came as a result of prodding, not to this Minister originally but to the previous Minister of Labour, the first Minister of Labour under the new Progressive Conservative government; from the unions, the unions in the north, 5757 in Lynn Lake, 8144, the Flin Flon Local. They wanted that review committee because some things were happening in that industry, and are still happening in that industry because that review committee did not change one single problem that they are experiencing. It can be an essential part of making changes that are necessary but the review committee, the fact that members of this committee who were doing a capable and honest job, I believe, went from community to community and listened and took notes and are making a final report now I hope, did not change anything. The changes will have to come after the Minister and after we receive that report; and then it is up to the Minister to make the changes that are necessary based on the recommendations that arise from that report. And I am certain that he will and I will encourage him to do so because he is not a bad Minister, Mr. Chairperson. I don't think any of us in these Chambers, if I can, you know, make that value judgment, are not doing the best that we can, given the circumstances.

You know, circumstances place us on different sides of the House so he does things differently than I do. As a government Minister he takes certain courses of action; as an opposition member, a backbencher at that, I take certain courses of action. But we are working on behalf of our constituents, our constituencies, and the province, and in this specific instance I hope on behalf of the working people of the province. We have different ideals, different ideologies, different philosophies on how and what to do and that's wherein lies the conflict and that's why this House is divided into two sides, but we are both doing what we can. So I'm certain when the Minister receives that report he will talk to his Cabinet colleagues, he will talk to the government caucus and he will talk to the working people also, the miners, the unions, and he will try to come up with a course of action that is appropriate. And we will, I hope we will, provide him with suggestions and encouragement to take the proper, what we consider to be the proper, courses of action. And I hope that we will live up to our responsibility to criticize him when we feel he is taking the wrong course of action. I know we will attempt to do that.

But that Mine Safety Review Committee, Mr. Chairperson, came not as a brainstorm of that Minister or a brainstorm of that government side, it came because there was a very real need for it and it came at the prodding of the New Democratic Party Opposition. I remember myself asking several questions in this House, and pushing and prodding and writing the necessary letters, working in conjunction and co-operation with the working people who were most affected, or can be most affected, if there are substantial recommendations that come from that report and they are implemented. So let us have a clear picture before us of the process of what happened.

And then the Minister mentions another brand initiative, the Workers Compensation Review. A bit of history again. The Workers Compensation Review was a review of the entire workers compensation program promised to us by the Minister. That is what it was

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supposed to be and that is what we had expected and that is what was wanted in many instances, Mr. Chairperson. What we got instead, and the Hansard is very clear on this, it's a matter of record, the Minister promised us a full review. It was in the Labour Relations Committee Room that he promised us that review, because it's necessary. Workers compensation is a system that has been around in its present form for a long long time. Society has changed, the needs of workers have changed, the needs of injured workers have changed, and therefore, we must constantly, as we must with all our programs, policies and legislation, update them to meet the changing times. And so the full review was necessary; it was desired in many instances, but it was not forthcoming. What we have is a review to examine certain procedures of the Workers Compensation Board; and we can go into that in more detail under the appropriate item in the Estimates, I am certain we will.

But I want to point out that even in speaking about that initiative the Minister is not giving us an accurate picture of what went on. I was pleased to hear the Minister talk about bridging the gap between schooling and working. You know, it's too bad that we as working people - and I know the Minister or I would assume the Minister agrees with me - as working people, when we leave our school to go to our plants or the industries where we work, that we not only literally leave our school, but that we leave our school in the sense that we no longer are part of that valuable institution - and I am glad the Minister of Education is here - that valuable institution that has been so much a part of our formative years.

And I hope the Minister, and I am certain he has in mind, working with his colleague, the Minister of Education, of sort of bringing that opportunity, that access, to go back to that schooling, to constantly improve ourselves as working people; I hope he has programs and policies, I am certain he does and I congratulate him on that, in mind towards that purpose, that honourable and that long overdue purpose. And it's especially important in these days of declining enrolment.

You know, we have, if I can as a subtle aside for the moment, we have a kneejerk reaction. We have it and they have it - I'm not placing any specific blame anywhere - that when we see an enrolment decline we say, that's it, close the school, lay off the teachers, that building, because it's not filled by students, young students, is no longer a valuable building to our society. We have to start rethinking that. We have to start saying, how can we utilize that? Working people want education, working people want to better themselves, they feel in many instances torn from the system when they enter the workforce from the schooling arena.

So let us try to examine - I hope to have some fairly detailed discussions with both Ministers responsible - let us try to examine avenues in which we can use those school buildings that are left vacant because of declining enrolment. We can use the facilities; we can use the teachers to educate our entire society. That's something that we will talk about. I congratulate the Minister on his recognition of the problem, and I look forward to those conversations.

The Minister - and again we're not getting the full statistics again - the Minister said that his colleague refuted the statistics, ably and capably and the press didn't report him and that we really were a bad government, they really are a great government - and he said the unemployment figures for November and December are, and then he spoke about them in glowing terms. Well, he didn't mention January but we have the figures for January. Why didn't he mention January? Because unemployment is back up again in January and that's just an example of the selective use of statistics that we are going to have to deal with and that we are dedicated, on this side, to trying to combat, to try and paint the total picture, as I said yesterday, so that we at least know of what we are talking in full detail.

And the Minister mentioned that we should not be concerned about population growth as much as we have been. Well, Mr. Speaker, I have an article here from the Tribune, August 12, 1979, when obviously the press were still quoting the Minister, and it says that "Mac Master to Study Manitobans Exodus." Let us see what the Minister said about population growth at that time. He said he was concerned there were many people leaving the province. He was concerned then and he's concerned now. I know he's concerned because that's a concern of his, as Minister; it's a responsible concern and I congratulate him for that concern.

But let us not try now to downplay the problem; let us not try now to say that to hide our heads in the sand and say that there is no problem. There is a problem. We must discuss that problem; we must discuss it rationally and fully. We must look at again the total picture, and we will. So that's something else we'll be doing in the Estimates because the Minister said that there was a study, and of course we'll want to know the results of that study and how much it costs and those sort of details that one examines during the Estimates procedure.

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The Minister talks about the 24,000; I believe that's the correct figure, 24,000 jobs full time - excuse me, not full time - the 24,000 permanent jobs he talks about. Yesterday I told you, Mr. Chairperson, and I told you for a reason because I think it is a pertinent point, 6,000 of those 24,000 were part-time. A full quarter of them were part-time jobs.

I want to talk about the effect that that has on the economy during the Estimates. I'm certain the Minister does too, because I know he, too, is concerned that there are so many part-time jobs being created now and what impact that will have on the total wage structure of the province. So we will discuss that.

Again, the First Minister the other day accused this side of trying to turn a "quick trick" - I think those were his words. I may stand corrected, but that was the intent of his accusations. That we were in some way deceiving, or misleading or not fully representing the case as it should be. Well, the Minister today showed us exactly how his government has been attempting to do that because he talks about the industrial climate under his government, the labour relations climate.

Again, I feel that it is absolutely necessary that I reiterate one of the statistics that I gave yesterday and that is that under the full two years of his government we had the worst record compared to any two-year period - and I don't care how you slice the cake - compared to any two-year period under the NDP administration, the worst record in comparison of number of work days lost due to strikes and lockouts - two years, if we compare the total picture. We will do that again and again and again.

I am pleased to hear that the Minister is proceeding on the Advisory Council on the Status of Women. I don't know under which item in the Estimates we'll discuss that. Perhaps it will be very shortly under the Women's Bureau, but we do intend to discuss that. I think that I personally support the initiatives that are made in order to incorporate women more fully into the social and into the industrial fabric of this community called Manitoba.

I think that is an area that is rightfully being addressed by the Minister, and I think that's an area that progress and substantial progress is needed. I can only wish and hope and try to encourage the Minister that his Advisory Council will be substantial progress in this regard, and that we will do also.

And I'm not certain whether I caught the Minister's statement exactly right so perhaps I'll just ask him if he can nod. Can he say that when you remove the - and I'll have to refer to my Estimates Book here, one moment please - when you remove the municipal loan category from the Estimates, that there is actually a \$500,000, or one-half million dollar more allotment to the Labour and Manpower division as per last year. Is that a correct...? Okay.

Look, I did some quick figuring and it would seem to me that that would not amount, Mr. Chairman, to an increase that would keep up with the inflation rate, overall. In other words, that if you take that increase as a percentage of the total budget last year and, while it may indeed be an increase, increases are supposed to enable a department to continue to grow, to expand until it reaches its maximum efficiency and maximum effectiveness, to be able to do more things for the people. And if we have that basic assumption in mind then we have to hope that the increases keep up with the rate of inflation. So that, too, is something that we will want to discuss in more detail.

The Minister was short in his remarks, and I believe that it is only appropriate, having addressed myself to some of what he said, that I close after these few brief remarks by saying that I don't believe it is necessary to set up a confrontation here. I don't believe that it is necessary to set the stage for a duck hunt, or for a hunt of any sort. I think that we can work together. I think we have the same objectives in mind.

We are going to quarrel, that is for certain. We are going to argue, that is for certain. But I hope that as we quarrel and as we argue that we are doing so - and as we agree because we are going to agree also on certain things and that, too, is important - but I hope as we continue that procedure of trying to put forth what we believe to be correct and they trying to put forth what they believe to be correct, that we do so in such a manner as to always be working in the best interests of the working people of this province because that is the Minister's goal, I know it. I know it. We disagree on how to do it and we will disagree in many instances. And it is my goal; I hope the Minister respects that also.

So having said that and hopefully having toned down the confrontation a bit and set the stage for what I consider to be a very important discussion in this Legislature, I will at that point, Mr. Chairperson, thank you for the opportunity for these few words and allow the Estimates to proceed in their normal manner.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, I'd like to make some opening remarks with regard to the Estimates of the Minister of Labour as well. In doing so I would certainly like to confirm some of the things that have been said by the Member for Churchill with regard to some of the background of the ultimate thrusts that the Minister of Labour has taken.

I don't think that anybody except a person who is deaf, dumb and blind, would fail to recognize that some of the initiatives, with respect to lead, came as a result of the New Democratic Party position in the Legislature - and let us be quite specific - came as a result of the initiatives that were taken by the Member for Churchill.

I don't think that anybody could fail to acknowledge that Workplace, Safety and Health was a concept that was pursued by the previous Minister of Labour, the Honourable Russ Pauley, indeed against some very strong objections taken by members of the opposition, and I'm not even going to fault the objections.

I tell my friend, the Minister of Labour, that I do not begrudge him that. It is the luxury of a government to be able to take credit for the things that it does regardless of where the initiation came from. I don't think anybody will argue with the fact that a comprehensive universal medical care program came to Canada because of the initiative of Tommy Douglas. But the Liberals in Ottawa correctly say that we brought about national medicare.

I think that it's hardly without argument that the New Democratic Party - the small group in Parliament - were the major force that brought about PetroCan. And the Liberals not only say that they brought about PetroCan but did something which I wish we would do more often: They fought the last federal election on the basis of public ownership, Mr. Chairman. Public ownership, their major program was PetroCan.

Well, Mr. Chairman, the Member for St. James has no imagination as to how to build an address. It is relevant, Mr. Chairman, because this Minister is able to pride himself - and I say properly so; it would be more my problem if he ignored everything that was said on the other side and listened only to his friends - because, Mr. Speaker, the congratulation that I have for this particular Minister - and I don't know how long I'm going to be able to do it - is that he listened to what was being said on this side of the House; that he made certain movements and that he resisted, as the plague, the people who are in the Chamber of Commerce, the people who are in the Builders' Exchange and those people in his own party who would have foisted on him some of the antiquated type of labour relation laws that we experienced before 1969.

And if it need be said that he has done that and that he gets up and wishes to present a brave front, I am not going to begrudge him that, Mr. Chairman, as long as he continues to do that. And may I further say that I don't expect that he will move every time in the direction that is pursued, either by the Honourable Member for Churchill or other people in this party, or even the Manitoba Federation of Labour, that I don't expect he should do that but, Mr. Chairman, thus far - and I maybe shouldn't make that qualification but being somewhat partisan, as I am known to be, I will say thus far he has resisted those people who thought that they had a right to expect that when the Conservatives came into power everything would be turned topsy-turvy.

And, Mr. Chairman, those people exist on both sides and your courage in resisting them speaks to your favour, Mr. Chairman. I say with conscious anticipation that the same kind of courage will have to be displayed by a New Democratic Party with regard to the efforts that are made by people who think they have a right to expect certain directions because a particular government is in power. And that, Mr. Chairman, will be the subject of much of what I have to say during the Labour Estimates.

The Minister has resisted, Mr. Chairman, bringing in virtually any labour legislation. I don't remember amendments to The Labour Relations Act during the two sessions of the Legislature and I expect that we will not be having any during this session, of any consequence. And if that is so, Mr. Chairman, then what we will have achieved in the Province of Manitoba, as distinct from most provinces, by the way, we will have achieved a position whereby the government has taken a non-interventionist role in industrial disputes; have more or less, and mostly more - but there are still some exceptions which we will have to accept responsibility for just as you have them now - have accepted the fact that free collective bargaining, that freedom of action on the part of the employee, that freedom of action on the part of the employer, is the best road to industrial stability.

That was the philosophy of the New Democratic Party government, when in power. That philosophy got us into some difficulty with people who thought that we were supposed to do everything that perhaps an organized group of trade unionists wanted. And, Mr. Chairman, that is the philosophy that we had the courage to resist. And I say that as long as the

Honourable Minister does that kind of thing, then the kind of remarks that he has been able to make with respect to the labour relations this year, he will be able to make in the future. I don't know how long he is going to be able to resist that kind of pressure. I know what the Chamber of Commerce is proposing with regard to changes in the Labour Relations Act; I know that the Builders' Exchange has certain ideas as to what this government is supposed to do.

And let us not fool ourselves, the strike that was caused in the construction industry last year was a political strike, Mr. Speaker. For years the construction industry thought that the New Democratic laws, and particularly their laws which brought about freedom in the province of Manitoba, were going to be undone when the Conservatives came into power; and the strike, Mr. Chairman, was caused by obtuse bargaining on the part of the heads of the construction industry, one head in particular, who said that if he have this strike, we will get those laws. And he was beat, Mr. Chairman, properly so. And if the Minister was able to resist that type of pressure from the Builders' Exchange, if he is able to continue to resist that type of pressure from the Chamber of Commerce, if he is able to do what he did last year in the House after getting himself tangled in his own web on the resolution with respect to the right to work, where finally it was the Conservatives who came out and tried to out-free the New Democrats. Because the last proposal that my honourable friend made was that we agree with every form of union security, which included a closed shop, which we actually don't have in the province of Manitoba. We do not have a permission for collective agreement to be entered into which says that you cannot hire anybody unless he is a member of a particular union. If that's the direction that my honourable friend is going to, then I think - I said to him last year that, Mr. Chairman, I will have no difficulty in congratulating that direction. I will congratulate that direction if it's taken by Conservatives, I will congratulate it if it's taken by a New Democrat. I won't congratulate if it's taken by a Liberal because I know no Liberal will take that direction. Liberals feels that there are always laws that you can set up as to when a person can picket, where he can picket, where he should go, where he can't go. Mr. Speaker, it has always been the Liberals who introduced such laws.

My friend, the Member for Fort Rouge, says that Mackenzie King was a Liberal, or was he not a Liberal. I've always heard, Mr. Chairman, I've always heard with regard to Mackenzie King that he was the quintessence of Liberalism. As a matter of fact Frank Underhill gave me an entirely new concept which I could never have conceived of myself, he said that Mackenzie King succeeded in making the Liberal Party the party of the extreme centre. Now we always knew, Mr. Chairman, that there is an extreme left; we always knew and talk about it quite flippantly about an extreme right; but the notion that the centre was an extreme is something that we have all avoided. But the centre, Mr. Chairman, is an extreme. The centre is an extreme and it is a fact that Mackenzie King made the Liberal Party the party of the extreme centre. And all of those laws which relate to compulsory certification, with compulsory conciliation, with when you can stop work, when you cannot stop work, when the public intervenes, how the public intervenes, were brought about and remained essentially the Mackenzie King school of industrial relations. Something, Mr. Chairman, which he started to formulate when he worked for Mr. Rockerfeller, there's our old friend Mr. Rockerfeller again, who had hired Mackenzie King to do this type of thing. --(Interjection)-- Mr. Chairman, the world may be new but the Liberals are the same. The world may be new but the Liberals are the same.

Well, Mr. Chairman, during the debates we will give you a chance to show your adherence to freedom. I know, Mr. Chairman, that when the resolutions with regard to freedom, with regard to a right to a trade unionist - and it was never demanded for a trade unionist. I saw, Mr. Chairman, in my years in practice between 1955 and 1966, that there was only group of people that were prevented from walking down the street with a sign saying that they don't happen to like a certain condition, and if you didn't like people killing seals you could walk down with a sign saying, "Save the Seals." You can walk in front of stores selling seal coats and say, "Don't buy these coats." But if conditions in a factory were terrible and human beings were being affected, and you wanted to walk in front of a store saying, "Don't buy these coats," because you want to be fair to human beings rather than to seals, the employer went out and got an injunction, and he got them and he got them in this province.

And we eliminated the ability to get that kind of injunction, as well as the kind of injunction, Mr. Chairman, which we now see has put a responsible, productive, useful, conscientious, family man never guilty of any criminal offence, which sees today behind bars because he would not be a labour boss; because he would not say to people, "You must work

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because parliament says you should work." So, we see Mr. Parrot in jail, Mr. Chairman, for no crime whatsoever, no crime whatsoever. His crime was that he wouldn't be a slave driver, that he wouldn't say to people, and parliament said we need you to tell them, "that you are to work or else go to jail," and Mr. Parrot said he wouldn't do it.

Well, Mr. Chairman, thank God that there are still some people in our society who will say that I will not yield to every single law that has been passed. Because once society says that the law is the law and I will do whatever the legislators say I will do we will have destroyed freedom in this country, Mr. Chairman. Freedom depends on the legislators who are seeking power and will use it to the hilt, if they are allowed to, depends always on somebody saying, "You pass that law and honest people will go to jail to resist it." And, Mr. Chairman, that's what happened in the United States.

The war in Vietnam ended because people said, "You can pass such a law, I will not obey it," and if one needs, you know, substantial authority for that proposition then I'd have to tell you, Mr. Chairman, that Mr. Justice Brandites of the Supreme Court of the United States said that if there was a law saying that I have to go to the back of the bus, I will break that law. This is not the statement of a violent man; it is not the statement of someone who says that he will not be bound by democratic authority; it is a statement of a responsible person, and such responsible persons are needed. Thank God, Mr. Chairman.

I wish I didn't invoke the holiness like - I'm taking after the Prime Minister now. I will have to say, thank us all. Thank society generally, Mr. Chairman, that there have been people who have been willing to say that. And probably the best example of it was when Hitler invaded Denmark he said that all people of Jewish ancestry would have to wear a yellow Star of David on their arm, and the King of Denmark the next day rode into the streets with the Star of David on his arm. That's courage, Mr. Chairman, and that's what's needed in this field as well as any other field. And what we will need, Mr. Chairman, in the area of labour relations - I'm going to pursue it in quite a bit more detail during the course of the Estimates - but what we need is the courage to say that freedom has its problems, freedom has its responsibilities, but freedom and liberty is still the best way of achieving industrial stability; and that the consciousness of one side of that equation, that is the employer's side, to know that the employees are free; and the consciousness of the employees to know that their employer is free, will have the kind of effect on both of them which will cause them, Mr. Chairman, to have much less breakdowns than if either of them believe that if we need help there is some politician, there's some labour board, there's some government, there's some judge, there's some mediator who's going to come to our side of this dispute and do the other side in. That's what causes bad industrial relations, Mr. Chairman. And I will prove it to you by quoting statistics from Australia where compulsory arbitration over the last years has produced the most man hours lost as a result of industrial disputes, not the least.

MR. CHAIRMAN: The hour being 4:30, Private Members' Hour, committee rise. Call in the Speaker.

The Chairman reported upon the Committee's deliberations to Mr. Speaker and requested leave to sit again.

IN SESSION

MR. SPEAKER: The Honourable Member for Radisson.

MR. KOVNATS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Dauphin, that the report of the Committee be received.

MOTION presented and carried.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: The first item of business on Wednesday is Orders for Return that have been transferred for debate. We have none of those. The second one is bills; we have none of those so we're now on Resolutions. Resolution No. 1.

The Honourable Member for Inkster.

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MR. GREEN: Mr. Speaker, I move, seconded by the Honourable Member for Burrows that:

1. WHEREAS public revenues required for public purposes should be raised by means which are administratively efficient and which affect the citizen in relation to his/her ability to pay, and

WHEREAS government sponsored lotteries offend against these principles, and that the costs of raising revenues are inordinately high, the methods are cumbersome and there is no attempt to ensure that there is ability to pay, and

WHEREAS in utilizing lotteries for the collection of public revenue the government engages in processes which are destructive in that it inspires false hopes and get-rich-quick-with-no-effort ideals, and

WHEREAS worthwhile public activities, such as theatres, sports, the arts and cultural endeavours should not have to depend for their existence on such a negative form of public support,

THEREFORE BE IT RESOLVED that the Government of Manitoba give consideration to the advisability of spearheading the eliminataion of government-sponsored lotteries as a means of raising public revenues.

Mr. Speaker, there are two typographical errors which I had not noticed up until now, I'm almost certain they are typographical. In the second line of the resolved portion it says, "Give council," it should be give consideration to the advisability, and in the first paragraph, where it says should be "reused", it should say be raised.

MR. SPEAKER: I accept the responsibility for the typographical errors and the corrections will be in fact used in the resolution.

MOTION presented.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I did not plan to force myself on the House for this length of time in a row. I assure you that my being here immediately after the discussion on the Estimates is the luck of the draw, it had nothing to do with any position on my part.

Now, Mr. Speaker, the resolution standing before you is a rather simple one and I admit, Mr. Speaker, it doesn't do a great deal immediately, first of all because a private member effectively move a resolution which will remove a source of public revenue.

Secondly, Mr. Speaker, that I am aware that the public involvement in lotteries, both at the provincial and federal levels, have gone beyond what anybody would have expected would take place when the original sin was engaged in, and I say that, Mr. Speaker, not with reference to any morality about lotteries as such. But members of the House may recall in 1969, I believe it was the summer session of '69, that a resolution was introduced on which there was a free vote. And at the time of the introduction of that resolution, Mr. Speaker, everybody was assured, this is a one-time, one-effort lottery, don't worry it's not going to expand, it's not going to go beyond this one effort, one lottery, for the purpose of having one sort of game, one mad fling. But, Mr. Speaker, it became habitual and the next year a resolution was introduced by the government, and the government, of which I was a member, set up a system whereby the public could obtain revenue by the means of lotteries.

And, Mr. Speaker, for those who say that I am completely a person without compromise, that I will not move my position, which I have heard it said, I got up in the House on that occasion and said that I do not agree with this resolution, I do not agree with this position; I'm going to vote for it because I cannot conceive of me leaving a government on this issue where we are going to raise, in a lottery, one-twentieth of one percent of sales tax. And by the way, Mr. Speaker, so that you know which of the arguments were pushed hardest, I was told it was passed by the convention of the New Democratic Party and represents their policy; and are you going to break with the policy of the New Democratic Party? And I said, yes, there may be some day that I will, but not on this issue, not on this issue. And if you will go and read the speech you will see that that's exactly what I said. And we brought in a provincial lottery.

And since then, Mr. Speaker, and I don't think that possibly we were the only ones, but right throughout the country this form of raising public revenues has been made more and more a part of our social fabric, and it is mostly our social fabric.

Mr. Speaker, let me first of all make one point clear. I am not opposed to lotteries; I am not opposed to people engaging in a, what do they call it, a Grey Cup pool; I am not opposed to a club selling raffles. I know enough about human nature to know that this is going to be done and that there is no law that can stop it. If you try to stop it all you will do is make it criminal, you will not stop it. What I am opposed to, Mr. Speaker, is the public using this form of activity to raise public revenues. And I am opposed to it, Mr. Speaker, for all of the reasons in which the question of taxation is discussed and considered as to what are the good methods of taxation.

Now first of all, Mr. Speaker, it is generally believed, although it's tough to argue with the Conservatives about it, that taxation should be fair, it should be equitable, and some people go further and say it should be based of ability to pay. I think we will all agree that the lottery has no reference to fairness or equity in terms of raising public revenue. It is, who do you happen to get to be able to buy a lottery ticket? And that may have absolutely no relation to that person's responsibility to contribute to the public revenues of society. Indeed I think it probably works the reverse but I don't even have to go that far, I think I can prove to you that it has no relationship.

Taxation should be efficient, Mr. Speaker. What I mean by that is that the amount that it costs to collect the tax should not destroy the tax. If you are spending all the money in administration then you get very little of it in public revenues and you have gone about a wasteful form of raising money. There is no more wasteful form of raising money, there is no more expensive form of raising money than lotteries, Mr. Speaker.

Imagine the thousands of people that are running around spending efforts, labour, selling lottery tickets. To return what, Mr. Speaker? To return to public revenues - and you know, we are so bashful about it we don't even show it on the revenue side; we put it into a trust fund. The amount that the Department of Tourism and Cultural Affairs gets to distribute, that comes into consolidated revenues, is \$3,800,000 at most, \$3,800,000 in a year. And, Mr. Speaker, I have been referring to the amount as being one-twentieth of one percent of sales tax, one-twentieth of one percent of sales tax. Well, I'm wrong, Mr. Speaker, you know, some of us are wrong from time to time. It's one-fifteenth of one percent sales tax. The amount is \$3,800,000, the amount that goes into public revenues. I checked it today, I checked it today, \$3,800,000.00. Sales tax produces \$60 million for every point of sales tax. Four is one-fifteenth of 60, so it's one-fifteenth of one percent of sales tax. And that may have been a good year. It used to be one-twentieth of one percent of sales tax.

Mr. Speaker, just think of the cost of producing one-twentieth of one percent of sales tax compared with producing \$300 million which is the sales tax; or, what if you wanted to produce the \$4 million by a motor vehicle tax? It is one cent, Mr. Speaker, one cent produces roughly \$4 million in gasoline tax. The cost of adding one cent to the motor vehicle tax is to get the same money would be hardly measurable, it would be hardly measurable; and all of that money, Mr. Speaker, all of that time, all of that effort, all of those activities, are run around for the production of that amount of money.

Mr. Speaker, there is a more significant, if we want to get out of the area of technocracy and go into the area of what kind of values should society be inducing in its citizens. Did I say that the state is performing a very very negative role in dealing with society attitudes? Do we believe that people should be encouraged to invest a dollar and make a million dollars? Do we believe that people should be induced to say that, I'm going to get rich quick by buying a lottery ticket? Now I'm not saying that people won't think that. Should the function of the state be to make that type of attitude pervade in society, because that's what we are doing, Mr. Speaker, and we are doing it in the most nefarious way.

If the Combines Investigations Branch would look to lottery attitudes, to lottery advertising, the way they look to private sector advertising, to business advertising, they'd fine them all. If a storekeeper, Mr. Speaker, advertised regular price, and this has happened, and they found out that it was never sold at that price even if the storekeeper said he was going to sell it at that price, he would be prosecuted. But you go on television and say that it's Winsday, I'm next, knowing the odds, Mr. Speaker, not telling the public that the odds are millions to one, is a form of false advertising which the Combines Investigations Act would prosecute if it was anybody else except the public who was doing it. And the standards that have been set by the Combines Investigations Branch for this type of prosecution, in terms of advertising, if they apply to the businessman they should apply, Mr. Speaker, to the government.

But that's not the worst of it and that's only really a debating point. The worst of it is that we are peddling this type of get rich quick attitude, peddling it on the citizens of our

society, doing it consciously, Mr. Speaker, and doing it, why? Essentially because we've got no guts. Essentially because we do not have the gumption to stand up and say, Mr. Speaker, that there are certain very useful worthwhile organizations that perform a public role in our society that deserve to get public revenue for their support and that we will budget for them, we will examine the need, just as we do in the area of health, welfare, and education, we will put a line in the Estimates and we will vote on that amount of money. But what we say, Mr. Speaker, is "no". The amount that these organizations are going to get, the amount that these activities will be allocated in terms of public revenue is going to depend on some type of numbers game, Mr. Speaker. And the analogy with the numbers game carries forward.

There are arguments about who should sell tickets where. One could almost imagine the four bosses in Chicago saying, now don't you horn in on my territory, I won't horn in on your territory; and carving up the map as to who gets the lottery revenues, who gets the activities, from certain areas. This, Mr. Speaker, is not the basis upon which public revenue should be obtained; this, Mr. Speaker, is not the basis upon which we should allocate funds to certain organizations.

And I want to make clear to the Minister who is dealing with this question that I have no objection to lotteries as such. I even have no objection, Mr. Speaker, even though it's against my own particular direction, to regulation of lotteries, that if certain organizations who are not regarded by the public as people that you are going to deal with on the basis of budget - and we always dealt with it on the basis of budget when I was in Metro. But you're not going to stop this type of thing but you feel that it should be regulated so that you know that the prizes that are offered are given; so that you know that there is no improper practices engaged in, I'm not opposed to that. If my friend says that that has to be continued I'm not appealing in this resolution to avoid that. I'm talking about government-sponsored lotteries as a means of raising public revenues. And if we get out of that, Mr. Speaker, and the Minister wants to regulate the others, I say that that's something that I would think we could live with, maybe we have to live with it.

But in terms of raising public revenue by this type of activity, Mr. Speaker, maybe someone should show some leadership in that area; maybe this leadership should come from the Province of Manitoba; maybe if that leadership is shown it will end, Mr. Speaker, the kind of mushrooming of numbers game activities that are being engaged in by governments throughout Canada. And I put that proposal to the honourable members in the hope that it will get their support.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I find myself in an unaccustomed position of opposing my old friend and colleague, the Honourable Member for Inkster, because it was in 1969 that, as a member of the government, backbencher at the time, that I was asked by the Manitoba Centennial Corporation to introduce a bill enabling lotteries to be established in the province.

MR. GREEN: Mr. Speaker, I wonder if my friend will give me an opportunity on a point of privilege.

MR. SPEAKER: The Honourable Member for Inkster on a point of privilege.

MR. GREEN: Yes, Mr. Speaker. The mistake in the typing is mine and not anybody else's. That's the way the original draft went in. Sorry, I thought it was not mine.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, so that starting in 1969, and I guess again in 1971, when there was a vote on this issue as well, and now in 1980 I continue my position in support of government lotteries.

And the one question I would ask the Member for Inkster to clarify later on, when he's closing the debate, is to provide us with more evidence in terms of what he calls the administrative inefficiency, in terms of the administration of lotteries. Because I am not aware of tremendous inefficiencies and I would be interested in some evidence or indication in that regard, because it's always in order to tighten up and improve that administration.

Mr. Speaker, I think that in essence, fundamentally, if I were to put one of my stronger but perhaps more colourful arguments against this resolution and anyone who would support

it, is that to say all taxation should be of the regular variety and that there should be no exceptions to the sales taxes and the income taxes, and so on, is like saying that a tooth should be pulled without an anesthetic; that by giving an anesthetic to a person in a dental chair that one is depriving that person of feeling the pain of the extraction and that that should be a pure and undiluted privilege on the part of the patient. And to me, lotteries are simply a less painful method of feeling the pinch of taxation.

If we actually pass this measure and eliminated lotteries in Manitoba, then it seems to me that it might also be logical to ask that the sale of other provincial lotteries or federal lotteries be banned within the province because there is no doubt that the Wintario lotteries would continue; that the western lotteries would continue; that the national lotteries would in fact continue. --(Interjection)--

Well, exactly. The Minister of Government Services talks about the Irish Sweepstakes and the old Army and Navy. --(Interjection)-- That's right, which were very popular and widespread and if they're still around - I assume they are still around although they are not as common - would in fact result in their revival.

I don't think that there are too many people who spend a great deal of money on lotteries. I read of one man who was so silly as to sell his house and take the entire proceedings of a \$50,000 house and pour it into a lottery, and then when he didn't really win anything he said he was very disappointed and he wasn't going to buy any more lottery tickets again. He felt that he was cheated after making such a serious investment in the procedure.

Mr. Speaker, the manner in which attitudes have changed in this regard are quite striking. I entered this House in 1966, but apparently in 1961 there was a measure introduced in the Chamber to introduce lotteries in some form in Manitoba. And that measure was resoundingly defeated 50 to 3.

In 1969 the vote on second reading was quite close in this Chamber. It was 23 to 19, which showed some close division but also showed that some 15 members were strangely absent when the crunch came. Upon third reading, however, it was much closer and the vote on third reading was 33 to 14 in favour of the introduction of lotteries.

And what the honourable member says is true. He says that the original bill was sold on the basis of a one-shot deal and that was, in fact, the original intent; it was in fact the original idea that it would only be in conjunction with the Centennial. But the measure proved so popular, Mr. Speaker, with organizations and clubs, and with the citizens in particular, that it simply was in fact extended right up and to the present date.

I must say as well, that there was a point in time a few years ago when I thought that lotteries were becoming too frequent, or too common, in terms of the provincial government's involvement. There was in fact, I think, at one time consideration given to a weekly lottery. I don't know if anything happened in that regard but I certainly was not in favour of an excessive proliferation of lotteries, and we did seem to reach that point. Now there seems to be a rationalization of lotteries and probably what we see today is what we're going to see for some time to come.

I recall as well the dire predictions that were made by members of the Conservative Party in 1971. --(Interjection)-- Yes, they were dire. And they were really quite intriguing and I would say, Mr. Speaker, that none of them came true.

For example, they seemed to fall into two categories at that time. There were those who didn't trust the government handling the lottery - probably because it was a New Democratic administration - and some of those people are still around today, Mr. Speaker; they still have that false belief.

And secondly, some had moral qualms about the lottery, that there would be rack and ruin. I see some shaking of heads from some of the senior members on the opposite side.

I remember in fact that the Member for Arthur - I assume that was Doug Watt - attempted to make a connection between rioting in Montreal and the Civil War in Ireland. Boy, that's logic, I'll tell you; that's logic. He felt that the rioting in Montreal at that time, 10 years ago, and with the problems of Northern Ireland, which must be among the saddest in history, were related to the holding of lotteries. Well, that was pretty feeble.

The MLA for La Verendrye said, at that time, 1971, that he felt that lotteries could lead to misery and he made a number of comments in that regard. Somebody suggested the Maffia might infiltrate the province and one sober and upright Tory . . . I'm going to call your Colonel in here, Mr. Speaker; I just found out that my old friend from Rock Lake was a Sergeant under the Colonel, who is from St. Johns. I never knew that before, that they were in the same company. So if I ever need any assistance to call the Member for Rock Lake toward, I'm going to call his old superior officer to give him a shot.

Mr. Speaker, one sober Tory --(Interjection)-- With these men in our Services, it probably was sort of an indication of MASH, which was a most popular series still to come.

Mr. Speaker, one "tober sorry" - a very tober and upright sorry - even said that he felt that this was not a serious event in keeping with the dignity and the joyousness of the Centennial. That it was just not in line with the fun spirit of the . . . --(Interjection)-- No, I can't. I don't have his name here but that's what he said. He felt that we should be more sober in our taxation policies, and so on.

And someone else suggested of course there could be a loss on the lottery. Maybe the lotteries would lose money. It didn't appear to have the right kind of snap to them that would attract the public.

Well, Mr. Speaker, I think you could go down the line and I think each and every one of those concerns, or fears, were not realized.

I would simply also mention that there are in fact revenues obtained in the province from horse racing, which is gambling - and lotteries certainly is gambling - and there's also revenue from such sordid - not assorted but sordid - practices as the selling of alcohol and beer, and other vices of that ilk.

There also appears to be some value in terms of the licensing of other lotteries. I assume this is still done. I assume that the board still in fact has the responsibility of licensing lotteries and that that requirement would be ongoing.

In terms of sports groups and arts groups, and so on, I strongly support the continued enrichment in funding of these organizations. I think that it has certainly been true over the course of time that the artistic and cultural groups in Manitoba have not had sufficient funding or could have benefitted further and extended their programs, in terms of having additional government support.

I only give as an example the Winnipeg Art Gallery, which I'm sure could use additional funding in regard to purchases, in terms of purchasing Canadian art or other art, in terms of keeping their doors open. It strikes me as absurd, Mr. Speaker, when you have a multimillion dollar facility that I don't even know if it's open one night a week; that they're on short hours at the Museum, at the Art Gallery and in other institutions because of inadequate government funding.

So I think that is in fact the substance of my comments. I think that my old friend from Inkster, in fact, is standing with those sober Tories who felt in 1971 that this was a frivolous kind of revenue-raising and that one should know, recognize, appreciate and rationally comprehend taxation and should, in effect, feel the pain when they are handing over those dollars to the government.

I see nothing wrong in lotteries. I have no evidence that people are being ruined by buying endless amounts of lottery tickets and depriving their children or themselves of moneys that could be spent on other purposes, and to me it's simply another vehicle that the government can use to raise revenues for public purposes. And the fact that government lotteries tend to be earmarked for cultural sports events, in addition to regular budgeting, I see as a good thing.

So, Mr. Speaker, I cannot support the resolution and therefore will intend to vote against it.

MR. SPEAKER: The Honourable Minister of Fitness and Amateur Sport.

HON. ROBERT (BOB) BANMAN (La Verendrye): Mr. Speaker, I first at the outset want to thank the Member for Inkster for putting this resolution before this particular House. I am anxious to see what members on both sides of the House have to say with regard to this subject matter and I think it's an opportune time for all of us to sit down and reflect somewhat on what has happened and what direction we're going.

It might come as a surprise to the Member for Inkster but some of the problems that he has with this particular type of raising funds are precisely some of the problems that I have.

Mr. Speaker, I think one of the things that we have found out in the last little while, and it was evidenced by the last speaker, is that when you're dealing with lotteries there is no such thing as a one time only. Mr. Speaker, we have seen the lotteries in Canada and around the world grow over the last little while and one thing that I have found out in the short time, being Minister responsible for Lotteries, is that whether you're giving out a grant from lotteries or you're dealing with licencing of lotteries, there is no such thing as a one time only. What happens when we're dealing with this is that the groups or individuals that do receive certain funding from this particular source, once having received those funds create a certain dependency or have a certain dependency on government or the source where the

money comes from on receiving those particular funds. And all we have to do is look at some other gaming areas such as casinos where, when a casino licence is given to a particular group and they net a fairly large sum of money from that, the next year almost have to have that casino licence because they have included that in part of their revenue and part of their expenditures. So, Mr. Speaker, I agree with the member that to that extent it does cause problems.

But I think what we should do here today, Mr. Speaker, is just go back somewhat and look at a bit of the history of how we got to where we are today. And I must confess, Mr. Speaker, that after having been Minister of Lotteries for about a year now - it wasn't a particular job that I sought after, Mr. Speaker, - but I have gained somewhat of a smattering of knowledge of what this particular aspect of gaming in the Province of Manitoba is all about. And as the Member for Inkster points out the Member for St. Boniface, I am sure, is much more knowledgeable because he was involved in many of the negotiations setting up and bringing our system to the point it is right now and I am sure he is much more knowledgeable and I am sure will correct me on some of the errors that I make with regard to the sort of chronological sequence of events as we go through it.

But, Mr. Speaker, in 1968, the federal government changed the Criminal Code to stop, more or less, the flow of lottery tickets and dollars that were leaving the country, in other words, as has been mentioned here, the Irish Sweepstakes and some others. They also, under the Criminal Code, made certain amendments which provided the provinces the right to enter the field of lotteries and to licence and supervise these particular games within their own jurisdictions.

In 1969, and the Member for Elmwood has referred to that, a bill was passed in this Legislature, a Private Members' bill, which, as the member stressed, and I was reading Hansard the other day, reading his introductory remarks when he introduced the bill, and at that time he mentioned that it was a one time only grant. And I guess what we've seen happen is once we let the nose of this particular camel into your tent there is no way you can keep the whole camel out of it, and that's what we've seen happen in the last little while.

Mr. Speaker, I guess what happened is, there was pressure. . . --(Interjection)-- Mr. Speaker, yes, I guess he could use the analogy of the buffalo too. Mr. Speaker, in '71 we saw the bill introduced by the government of the day. As the Member for Inkster mentioned, he was part of that government and I have read some of his speeches with regard to that and his quotations, as far as his speech today, were accurate. He was part of the government of the day, Mr. Speaker, claimed he did not agree with the policy but felt that the issue was not big enough that he should resign from government at that time. And I won't chastize the member for that except that at that time already there were certain people that had misgivings of the direction we were going.

Mr. Speaker, in the years that followed that introduction of the Lotteries Act in the province of Manitoba there were a number of lotteries held and all of those received approval by Order-in-Council of the government of the day of that time, so they received authorization. And as I mentioned before, if you want to call it, the dependency on these particular lotteries grew by the different groups that were initiating programming and everything, the pressure grew on the government to expand it.

However, there were some other forces that were involved in this particular problem and that, Mr. Speaker, was the problem of interprovincial jurisdiction and the problems of different provinces selling in other jurisdictions. And I think it's fair to say, too, the Member for St. Boniface, who then entered somewhat later into the picture, was concerned also about public protection, in other words, the problems that we have seen happen when we leave gaming matters and matters of this nature up to the public without proper licensing, control and regulations.

And, Mr. Speaker, I come to the point, maybe the point, why I believe that, to a certain extent, we have a responsibility to the people of Manitoba in the field of lotteries. And that, Mr. Speaker, is one of licensing, one of regulating, to make sure that when somebody offers a prize that that prize is paid. And No. 2, that we do not see people, who for personal gain are using the fields of sport, the fields of culture, the fields of non-profit organizations as a guise to line their own pockets. And I think the province has a real responsibility in that area.

Mr. Speaker, the system has evolved to such an extent, in 1974, I believe the Manitoba Government, along with the four western provinces signed an agreement which saw a marketing agency established so that we would try and get out of that interprovincial hassle that we had going on. In 1975 or 1976, I think there was a interprovincial agreement signed, which would see a few more such as Ontario and a few other enter into a larger scheme of

things, I think it's '76, in August of '76. So that we have seen the system develop to a fairly refined point at this time where we have a system of the \$1 tickets being sold across Western Canada; we have the \$5 and the \$10 system being sold by the Interprovincial Lottery Corporation which is right across Canada.

When I took over this particular responsibility, Mr. Speaker, about a year ago, as I mentioned before the prime concern at that time and it is today is to ensure the public protection with regard to the licensing and regulation of lotteries. To that end, Mr. Speaker, we have moved on several fronts. The first thing that the government did was appoint a commission to look into the problems that we were facing, to identify some of them and to talk to our partners in Western Canada with regard to how their systems were operating and how ours were.

The findings of that report were fairly well received by almost all the people in the, if you want to call it, lotteries community and as a result we started to implement some of those things. I should point out, Mr. Speaker, that one of the dilemmas that we had faced, and it is not a good dilemma to be in, is that with some of those lottery funds we had started funding program within government circles, Mr. Speaker, which started back in 1973-74-75 and I come back to that one time only thing. There were things like Dancing in the Park, Festival Manitoba, some aid to northern sporting associations. These things were all being taken out of lottery funds. What happens, and I'm sure it happened to the previous administration, once they had given Dancing in the Park \$25,000 in 1973 or '74 out of lotteries, the next year the people came back, you had created a demand and a need in the community with those funds. And as a result what happened is that it was like a snowball going down the mountain; as you added more people and gave more one time only grants, it kept rolling. And, Mr. Speaker, I have to admit that that particular thing with regard to certain aspects that I was involved in in the beginning when I had taken over this portfolio the same things happened because we have the same people that we have allowed to use some of these proceeds have come back and as a result created a dependency on this particular system.

Mr. Speaker, in an effort to avoid that type of thing happening I have said constantly to the people that are interested in listening, I have had the simple approach of trying to apply the lottery funds to one time only capital projects. So you are sort of splitting hairs, but the previous administration had started some of those programs too, the Capital Facilities Recreation Grants; this means that it's for capital purposes only and does not create a dependency back.

The other problem, Mr. Speaker, and I'd like to deal briefly with some of the recommendations of the Haig Report and the implementations that have happened. One of the things that happened, roughly about six months ago, is that we signed an agreement with the Manitoba Sports Federation which made them a third partner of Western Lotteries Manitoba Distributor, which is the non-profit group comprised of the United Way, the Manitoba Arts Council, and now the Manitoba Sports Federation. Up until that time the money from a third of that piece of pie was being used through an advisory council on sport and through the Department of Fitness and Sport at that time.

The other step that we've taken, Mr. Speaker, is to include total community involvement, which is another group that was in the lotteries field. And I say "was" because one of the problems that we've had is that we've - and I think the previous Minister and the previous government foresaw some of the problems that we would be faced with - a proliferation of lotteries, and by having TCI under this particular arrangement and become the fourth partner in WLMD, they will not be running their golden or their silver sweepstakes. So that means that it takes another lottery out of the field. This, Mr. Speaker, hopefully will create, number one, more control on behalf of the province; and number two, allow these particular groups, to a greater extent, self-determine exactly how much money they will make. Their commissions are based on their particular selling techniques and marketing abilities and therefore if they don't have a good system will not make as much or if they have a better system will make more.

The other area that we have moved on, Mr. Speaker, and maybe at this time I should point out that the area we have slowly been moving towards is that the discretionary dollars that are available to the Province of Manitoba with regard to lotteries has steadily been declining with the introduction of these two other groups within that system.

When we took over in 1977 about 12-1/2 percent of the total lottery pie - the revenue that was available to the province - was not at the discretion of the province. In other words, 87 percent was lottery funds that could be spent by the Provincial Cabinet.

MR. SPEAKER: The Honourable Minister has five minutes.

MR. BANMAN: Today, Mr. Speaker, I am happy to announce that we have brought that somewhat now, with the entry of TCI, to a little less than 50 percent, around 49 percent. In other words, these groups will be determining where they spend the money. However, Mr. Speaker, we will be very careful to make sure that the responsibility, with regard to the safeguards that are put in place, rest with the Province of Manitoba.

The Manitoba Lotteries Commission will have the responsibility of making sure that when lottery dollars are spent they are spent in a fashion which means that they will not be spent to line some other people's pockets and not in the proper way in which they are intended to be.

So, Mr. Speaker, I want to say, that No. 1, we are moving to tighten up the public protection with regard to lotteries; we are moving in a direction where the government is slowly getting out of the discretionary dollar aspect with regard to lotteries.

Another thing, Mr. Speaker, that we've just done in the last little while and was sort of a thorn in the side, I know, of the previous administration also, and that was the fact that these trust accounts that were being held by the Department of Finance, the revenue from those trust accounts was going to General Purposes. So that means that we were using interest from lottery funds, from the trust accounts, to fund such things as health care, northern exploration, whatever.

But, Mr. Speaker, that has been changed. From now on the revenues that accrue in any trust accounts to the Province of Manitoba will go back to the trust account to which those funds apply.

The area, as I mentioned, Mr. Speaker, is one which I guess is like some of the fish traps where you've got the small enclosure and the fish swims in and once he's in it gets awfully hard to try and find your way back out, and I think this is the dilemma that many of us have found ourselves in.

I don't believe that the solution to the problem is to say that Manitoba is bowing out and we're not going to sell lottery tickets any more. I think that we have a responsibility in the area of licensing and making sure that the funds are appropriated properly. If we would just get out of the system we would see there would still be a demand in the community and we would also, I believe, be in the same position many of the provinces that were lacking in the development of lotteries were, where they found tickets coming in from all other jurisdictions and they then not benefiting from those particular sales within their province.

So, Mr. Speaker, I say to the members here today, I will be following with interest this debate very carefully. I believe there are refinements that can be made. I think myself, as Minister responsible for Lotteries in the Government, have been moving in a positive way to try and address some of the problems within that area and some of the problems as the Member for Inkster pointed out, but it is a slow process. The lotteries are a relatively new aspect on the Canadian scene, having been here only roughly ten years. And I think by getting the federal government out of the lotteries business and consolidating the whole effort, I think that we can and will provide a better system of protection to the public of Manitoba.

So, Mr. Speaker, having said that, I would welcome any response over the next little while with regard to this and look forward to the debate that's to follow. Thank you.

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

MR. LAURENT L. DESJARDINS: Mr. Speaker, I was quite interested at what the Minister had to say and what the Member for Inkster had to say. --(Interjection)-- Well, I kind of missed it, I was in transit from up there to down here and I missed that. I'm sorry.

I might say that I pretty well agree, maybe I can add a little bit to what the Minister has said and maybe explain a little more. I certainly share his concern and I'm pleased for him to know how difficult it is. If he thinks he's got it hard and if he doesn't relish having this responsibility, I can tell him that it was an awful lot worse a few years ago. It was very difficult when there was no order in there at all and when anybody was criticizing, including some of the members of this House, that made it quite difficult when we were trying to improve things.

One of the reasons also that was missed - I don't know how important that it - but that the federal felt that they should enter this field and brought in legislation, permissive legislation. Also, if you remember, our old friend, . . . Hood started a lottery without that, that was questionable if that was legal or not. It was in the City of Montreal, if you remember that, the one where you were paying voluntary taxes, and so on; and that made it difficult, and

Montreal were selling all over the place because nobody else had tickets so the Attorneys-General of different provinces did not worry too much.

And then Manitoba was the first one, after Quebec of course, when it became legal, when this permissive legislation came in, it was at the insistence, the biggest promoter of that was Mr. Steinkopf who had left the Cabinet and the House, and he was promoting for the art buildings that they had built, and so on, for the Centennial and in effect it was supposed to be for one year only.

Some of the people believed that it would be for only one year, others didn't and I think others pretended that they believed it. Because it is true that when things like that are started it is very difficult to stop.

Now I inherited that when I became the Minister of Tourism, Recreation and Cultural Affairs, and the difficulty that I felt was that there was no accountability whatsoever, it was a shame, it could erupt into a scandal any time at all. And besides that there was no protection and it wasn't fair. Very little of the returns went back into prizes; it was mostly the people selling with a commission, and so on. Their share was approximately 60 percent or maybe in excess of that and there was no accountability at all.

So having seen that and some of our people then were selling in other provinces, but the other provinces were getting ready to start their own lotteries. Ontario had been working at it for awhile, Quebec had theirs, B.C. were starting and of course Saskatchewan.

So being a small province and our Attorney-General of the day had been warned by other Attorneys-Generals that they were starting to act on this, and I think that people were even jailed for selling tickets illegally because you could not sell outside of your own territory, for Manitoba and our own province.

So with the okay from my boss at the time, the Premier, I discussed it with the other three western provinces and we formed the Western Canada Lottery Foundation.

And the reason for that - there were many reasons for that. First of all that we wanted to change to a bearer's ticket, which is the only way. In certain parts they don't even know where the other tickets were. You write your name and it could go in somebody's pocket or you can sell it in a beer parlour and pocket the money; there was no accountability whatsoever. And there was no way, even if it was for the best, the relationship between my alma mater and myself, St. Paul's College, has never been the same since I've had this responsibility, I can say. Oh, it's for a good cause, nobody fought more for aid to private schools than I did, but I don't believe that anything goes because the profit will go for a good cause.

And then the middle men were getting rich on that, and that still exists to this day and I think something will have to be done with that fairly soon. There are some people that are getting too rich. People shouldn't work for nothing, they're entitled to a return; I'm not against the free enterprise system but there is a limit. When you have certain things like this, how much money should go for those selling and the middle man and those who have contracted to raise money with the Legion or St. Paul's College, in some of those areas, and so on.

So that was for accountability, for the protection of the public to have more money, more of the price is fair, a bigger percentage; and also mostly to stop the proliferation of lotteries. The Minister is right, we had all kinds of lotteries and they were starting all over the place, all western Canada. They were being sold all over the place and it was impossible to get hold of them and regulate them fairly.

So the fact was you had to look at the political situation and we'd be naive if we felt that this wouldn't be done, especially when you're dealing with dollars and you're dealing with non-profit organizations; and when you have all the lobbying, that they were seeing the members of the opposition and the members of Cabinet, and the member of the government side, and so on, and they all had their pet projects.

I saw the greed; I saw the broken promises; I saw all that at the time. I saw the same people that want a part of the action now doing everything possible to destroy this lottery.

Now the idea was, and we hammered it, we had to deal with other provinces and we hammered that out and we said, all right, we're supposed to do away with all lotteries over a certain amount of money. I'm not saying that you couldn't raffle a turkey or some of these things, a small prize and so on, that is still allowed and there is no worry. Actually it's not this organized lottery where you're running around with one of those books and you're asking this member to buy a lottery ticket.

5 March, 1980

MR. SPEAKER: Order. Order please. The hour being 5:30, when this motion next is on the floor the member will have 15 minutes.

The hour being 5:30 the House is adjourned and stands adjourned till 2:30 p.m. tomorrow afternoon, Thursday.