

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Monday, May 3, 1971

MR. CHAIRMAN: (Resolution No. 16 was read section by section and passed) The Member for Rhineland.

MR. FROESE: Mr. Chairman, in looking at the annual report of the Agricultural Credit and Development Corporation, this is well over a year old by now, and I wonder if the Minister can't bring us up-to-date on what is and has been transpiring this last year. When we look at the report that is before us, I notice that two items are eliminated from the balance sheet, or from the Statement of Receipts and Disbursements. We find that the advances from the Province of Manitoba, this \$700,000 item in the previous year, there's nothing in its place for the year 1970; when we look at the proceeds from sale of notes of 2,850,000 the previous year, there's nothing in that item for the year 1970. And when we speak of sale of notes, is this notes from farmers and are they being just sold to the bank? Are they discounted, or on what basis are you selling these notes? Or are you selling them to the Finance Department of the government? Certainly I would like to hear from this.

Also, we find that the total receipts for the year 1970 are down 50 percent from the year before. The year before, we had income or receipts of 9 million and in 1970 they were down to 4 1/2 million. This is a 50 percent decrease. Just what does this account for and what are the reasons for this? Too, I would like to know the -- (Interjection) -- I don't know what the discussion is all about between the Minister of Agriculture and the Minister of Finance. -- (Interjection) -- You're having a caucus, eh? Giving advice.

Too, the total assets of the corporation, as the balance sheet indicates, is very much similar, though, from the previous year; what has been the experience in this past year? Do we experience difficulty in getting loans brought up to date? Have we had to extend a large number of these loans, both as to principle and interest, or are we working on an accrual basis and that the interest is just added to the balance of the loan outstanding? Just how are we operating in this connection? I think we should have some general information in connection with this particular report and also on the development as the Act now stands. What is the performance under the new amendments that were brought in, or the new Act as it is now incorporated, and the new regulations that were passed as a result? I also find that we are now extending loans to fishermen; to what extent are we proceeding in making loans to fishermen? Is there a considerable amount of the monies lent to these people as a part of the total? What is the percentage and how much is going to agricultural people?

Mr. Chairman, I wondered if I could make a few general comments in connection with agriculture. I missed it on the opening remarks of the Minister. I would have, certainly would have some -- (Interjection) -- whether it would be permitted under this item. Actually the Agricultural Development Corporation certainly covers the waterfront when we are talking and making loans for agriculture. They're made for varied purposes, and certainly when we take a look at the economy of the farmer in Manitoba today, the matter of taxes is very uppermost in our minds. I have touched on the matter of tax revision on an earlier occasion, but now that we're discussing the agriculture estimates, I think we should discuss this matter of taxation on farm lands, and I feel it is out of hand . . .

MR. CHAIRMAN: Order, please. I'm sorry; the member was in the House at the time that the Minister's Salary, General Administration, was called. He had opportunity to discuss the general field of agriculture at that time. Now the Chair is at the disposition of the committee and by leave I suppose at any time -- you know, the House can grant leave, but I would suggest that because the member was here at the time that he had an opportunity to speak, that he address his remarks specifically to the Manitoba Agricultural Credit Corporation which is Resolution No. 16, which is the resolution which is before the committee. Resolution 16 -- pass? The Member for Rhineland.

MR. FROESE: Yes, Mr. Speaker, I had a call and I'm not sure whether I'll be able to make it after. The matter of taxes - and I think leave has been granted here. -- (Interjection) -- Leave was not granted? Well anyway, taxes is a matter that enters into the Development Corporation because loans are made to cover taxes too, no doubt, and so in connection with the tax revision, as I pointed out earlier, there won't be any revision in my area unless the government brings about a change, and I don't think our Minister of Agriculture is doing a job in not bringing about a tax revision for the farmers of this province. I think we should hear

(MR. FROESE cont'd.) . . . . from him on this count because taxes are increasing year by year and we are not . . .

MR. CHAIRMAN: Order, please. I'm sorry, but I'll have to call the member's attention to the Manitoba Agricultural Credit Corporation once again, and comments about the Minister's performance should have been raised earlier, so if the member has no more further questions relative to Resolution No. 16, I would ask the Minister to reply to his earlier questions in this regard. 16 -- pass? The Minister of Agriculture.

MR. USKIW: I'm not sure whether the honourable member has completed his remarks, Mr. Chairman. I don't want to presume to move in on him. Is it the intent of the member not to carry on?

MR. CHAIRMAN: If the member has more comments to make relative to Resolution No. 16, which is under consideration, then he shall be recognized. If he is out of order then he will be called to order.

MR. FROESE: Well, I can certainly comment on other matters in connection with this. Because of the operations of the Development Corporation, are we in any way being effective in combatting the Federal Government's efforts in trying to eliminate farmers in Manitoba? Because I certainly can't go along with that kind of a program where we're reducing the farmers in this province; and what happens by doing that is that we're increasing the welfare rolls, and we know what that means: that additional revenues have to be found to provide for these expenses, these additional expenses to support farmers who have to go off the land and have to seek other employment, and many do not find other employment once they leave. To what extent is this Development Corporation extending loans? Are they effective in this direction?

Before the noon hour, or the recess, I questioned the Minister on the matter of the policy of extending loans to smaller farmers, and he indicated that their policy was that they had to be viable units. Well, Mr. Chairman, I think in many cases we have farm families, parents of older children, boys grown up, are growing up, and they want to get established on their own. Quite often, the parents are willing to let the son have use of the parents' machinery and so on, and in this way if they could get a small acreage of their own to get established, I think this is a much sounder way of getting farm units established than to have them go all out, buy large acreages of land and go head over heels in debt. I think the experience - and I would like to hear from the Minister what the experience presently is, whether this is not the case that as a result of these heavy borrowings we find so many bankruptcies. How many bankruptcies did the Credit Corporation experience? How many did they have to put into receivership, or in how many of the bankruptcies are they one of the large creditors, and probably the only creditors, because under the new regulations I think they have to have all their financing from the Credit Corporation. Certainly these are matters that we should be considering very carefully because, when government goes into business, people I think generally expect more leniency from a Crown corporation such as the Development Corporation than they do from private institutions such as banks and other financial institutions, and for this very reason I think we should have further explanation on this.

I had intended to discuss the matter of the LIFT program, how it affected deliveries of crops and whether this had any bearing on the loans, on the repayments of loans, because I find that quite a number of farmers, in the Red River Valley at least, are restricted very heavily in their deliveries because of the LIFT program. Under the LIFT program you had to have either summerfallow or some special crops which qualified you for acreage which the wheat deliveries were based on, and as a result of this we find ourselves in a very restricted way in making deliveries of grain to the elevators. This in turn reduces the purchasing power of the farmer and as a result he is unable to make his payments.

The matter of margins is another matter that I had intended to discuss quite fully, because we know from the Throne Speech that the government intends to bring in more marketing boards, and also the federal bill intends to further marketing legislation. Here again, I feel that we are not widening our scope as a result and instead, I think, we're limiting ourselves to this one particular agency to do the selling and to look for markets. On the other hand, if it was left open and probably opened wider, we would have more people in this business and who would explore further markets and try and secure markets for our products. Certainly, if we take the Canadian Wheat Board as an example, it certainly hasn't provided us with margins. In fact we're still at the level of 1940, '45, and if our marketing board, the Wheat Board, had done a proper job, it would have seen to it that proper margins were provided to the farmers. This is certainly not the case. I remember too well that during the wartime

(MR. FROESE cont'd.) . . . . . years we sold wheat to Great Britain at a very reduced price. This was to fight the war effort, or support the war effort, and also to assist our people in Great Britain, provide them with cheap food. On the other hand we found that it wasn't the people of Britain that got cheap food, it was the speculators at the other end that sold this wheat for high prices and were operating in the black market, and they made the millions on it at our expense and the farmer was later on to be compensated, but this has never happened. So, Mr. Chairman, I do hope that the Minister will give some answers to some of the questions that I have put to him.

MR. CHAIRMAN: The Minister of Agriculture.

MR. USKIW: Mr. Chairman, I am not at all familiar with the first two points that the Member raised, namely the question of the sale of notes and the 50 percent decrease in the income of the MACC, not having the comparison before me to give him an answer. Well, I don't have the current so I couldn't compare them or give you an answer but I would undertake to supply the honourable member with answers to those two points.

As far as the experience this year relative to the loan, or the payments on any loans, I might point out to members that about a month or two months ago we had an arrears situation amounting to some 34 percent. It's now down to about 30 - 31 percent, so that the Corporation has been extremely lenient in that connection. It has not been pressing people that had not been able to make their payments due to various circumstances.

We anticipate that we will have gradual reduction of the arrears from this point on, but it isn't something that we are putting a lot of pressure on, unless there is a situation which I am not aware of but where there is a great deal of managerial negligence, if you like, and it's obvious that the person is not intending to act in good faith relative to his commitments. So there is no real problem in that connection and I want to assure the Member for Rhineland that we are not applying undue pressure at a time when the returns to our producers are as low as they are.

There have been a significant number of loans to fishermen - I don't know in dollars and cents; I don't have the figures here. I can get the figures for the member if you like. I have reports which are coming on my desk at least twice monthly so that I can make those available to anyone that wishes them.

The performance of the MACC under the new regulations, as I see it, has been relatively good. We've had problems in the initial stages which I think we've overcome; problems because of a very heavy influx of applications just shortly after we reconstituted the program, and it took some time to catch up with applications last year. There were also some new thrusts made in the area of co-operative and corporate structures that were also new experiences for the corporation and required a careful approach, and these two areas I think have provided us with a great deal of knowledge in deciding the criteria for any future ventures of that kind.

I don't think I should touch on the question of taxes because I would be yielding to the kind of privilege of the House which the honourable member was refused, and therefore I think we would have to wait another time to deal with that question, other than to say that my concern is just as great as his and the importance of our tax structure is extremely relevant in terms of the ability of farmers to derive a decent livelihood and to maintain their payments or keep their commitments.

I might point out to the Member for Rhineland, in that connection, that there are certain things that can be done in his part of the province which the people there have chosen not to do but which, if they had done, would substantially reduce their taxation on land. That is a choice that the people there have made, and I might indicate that it's my understanding that the Member for Rhineland has supported the choice that they have made over the years and therefore I simply want to say that how one makes his bed one must sleep to some degree. So it's a combination of decisions here that have been made in that part of the province which resulted in abnormal high land taxes, although it isn't to say that we don't have a tax problem in Manitoba.

The question of how we are combatting federal measures to reduce the numbers of farmers, I think I dealt at some length on that point during the introduction of my estimates earlier today. I think the only way one can combat or cope with anything that Ottawa is doing is by dialogue and influence. There is no way in which you can, through fiscal arrangement, try to combat very significantly a direction that the federal people are taking in the area of agricultural economics; we are subject, by and large, to follow the decisions that they make. I think the decisions that have been made in the grains area are good examples wherein there is nothing a province can do other than to lobby and consult and dialogue.

MR. CHAIRMAN: Order please. The Member for Morris.

MR. JORGENSON: If I understand correctly, the item that is now under discussion is the Manitoba Agricultural Credit Corporation and I fail to see how the remarks of the Minister, in the last five minutes at least, can relate in any way remotely to the item under discussion, and if he's going to talk about the Farm Agricultural Credit Corporation I wish he'd relate his remarks to that subject.

MR. USKIW: Well if my honourable friend had been listening he would have noted, Mr. Chairman, that I had made reference to the connection as between the payments that are made to the MACC and the economy of agriculture. I think that has completed my remarks, Mr. Chairman. I think that answers all of the questions, as far as I'm able to, questions put by the Member for Rhineland.

MR. CHAIRMAN: 16 -- passed; 17 --

MR. FROESE: Mr. Chairman, before we pass that item, under this very allocation there is the matter of Farm Loan Incentives, and I would like to hear from the Minister just what are the incentives under this program, under item 3 under this -- you have incentives; what are the incentives? Is it just a matter of lower interest to the younger farmers and does this total item go for that purpose, or what is the \$300,000 for?

MR. USKIW: The \$300,000 figure is the amount of grant we anticipate making towards all those who, through the MACC, borrow monies to finance the purchase of breeding stock - livestock. These are the 20 percent grants.

MR. CHAIRMAN: 16--passed; 17--passed? The Member for St. George.

MR. WILLIAM URUSKI (St. George): There's just one comment I would like to make on 17, Mr. Chairman. I was advised by several constituents of mine, upon their checking of the Canada Year Book they found that the negotiations between Ottawa and Manitoba with respect to the grants for crop insurance, they have informed me that the Federal Government has allotted in '69 a grant of 50 percent of the administrative cost as it exists in Manitoba, as well as 50 percent of the cost of the premiums, and it is my understanding that the Province of Manitoba and the rest of the provinces in Canada receive only a 25 percent cost-shared agreement in this. I would hope that the Minister through his offices when - and I believe there are negotiations in this respect now would make note that when these agreements come up that they would be negotiated in a similar manner so that the provinces of Manitoba and of Western Canada could receive a fair shake in this matter.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, it seems as though I'll be the only one debating the estimates of the Minister of Agriculture tonight, but I think agriculture is too important an industry to let the estimates just slip through. Certainly in past years we have spent days discussing estimates of the Agriculture Department, and right now the matter of crop insurance is an item under Resolution 17. I notice the amount of support given to this matter is reduced slightly from the year previous. What has been the performance of this Crop Insurance Corporation just last year? We have the report of the previous year which shows I think a deficit of a million and a half - excess of expenditures over revenue 1,583,000. There were reserves, I think, from previous years. What has been the experience during this past year? I think there were new crops added to the list the previous year. What has been the experience in insuring these new crops.

I noticed also last year, that when we had the severe flooding in my area, many farmers were unable to seed before the deadlines that were set in the regulations as to when these crops had to be seeded in order to qualify for insurance purposes. Is there any thought being given to extending these deadlines in the future to a later date? What would be the added cost if deadlines were extended, and has there been any research done in this connection? I think these are some of the questions that we should probably get answers to. Is there also any contemplation of adding new crops under the Insurance Corporation for this year?

MR. CHAIRMAN: The Minister of Agriculture.

MR. USKIW: Well, first let me deal with the question, or statement placed on the record by the Member for St. George wherein he expressed some concern about the lack of standardization of agreements as between Ottawa and the various provinces with respect to their crop insurance contracts. It's my understanding at this point that the Federal Government is re-negotiating the contracts. We've had some idea as to what their thinking is and it looks like we will also be entering into a new arrangement very shortly - it's in the stage of negotiation

(MR. USKIW cont'd.) . . . . at the present time - wherein there may be some adjustment in terms of the premiums that the Federal Government picks up and some adjustment in the area of administrative cost, but it's nowhere near final for me to give any specific answer at this point but I do know there is interest in changing the present arrangement.

The Member for Rhineland keeps talking about he wants an annual report sort of thing, from my statement here on the Crop Insurance Corporation and its experience. I think it's somewhat premature for me to be able to give him that. I appreciate the fact that the one he has is always a bit late but I can only answer him by suggesting that I will undertake to give him the specific information with respect to each point that he raised. I am in no position to give him specific answers of a technical nature at the moment. I don't know what their total experience was or what each commodity experience was, and in particular the new ones that were brought in a year ago, but that information is not difficult to get and as soon as I have it I will give my honourable friend a copy of the same.

MR. CHAIRMAN: 17--passed; 18 (a)--passed? The Member for Rhineland.

MR. FROESE: 18 deals with the Canada-Manitoba ARDA Agreement, and we find that there is a very considerable increase in the allocation here. It's increased from 413,000 to 936,000. What program is involved under this item, and are there any new programs in this particular allocation, and do those programs apply to all of Manitoba or is this just Interlake again, or does it apply equally to Southern Manitoba? I first of all would like to know what the amount is for and then I would ask the Minister to elaborate.

MR. USKIW: First of all, I want to say that \$426,000 of the total of 936,000 are the residual ARDA programs that have been ongoing and will be completed this year, so they are not new efforts. New effort is in the amount of \$510,000 and it's in the area of farm water services, which has been announced - \$200,000 in that area; \$210,000 in the area of veterinary clinics; and \$100,000 in farm diversification projects which have not yet been completed. Those are the new items. The old items are in Community Affairs, Land Utilization Research, Land Development, hay land and pasture land development, and this applies to all of Manitoba.

MR. CHAIRMAN: 18 (a)--passed; (b)--passed; 18--passed. 19 (a)--passed? The Member for Rhineland.

MR. FROESE: I would like to have an explanation on 19 as well - there is also an increase under this - and to what extent have we proceeded with under this agreement. One of the programs, I think, was a ten year program and, if I'm right, this was the one. To what extent have we proceeded on this and what will the monies be going for this year?

MR. USKIW: Of course the FRED agreement, Mr. Chairman, is the Interlake arrangement, and I can give you the specific amounts here for specific purposes. We have here almost an identical sum for general counsellors that is identical to last year, \$325,000. Our Manpower Corps project is away up from 326 to 750, and I might indicate the areas in which we have expanded in that program. It had to do with the Hecla Island Park development, the golf course, and it's a program which involves training people in the use of heavy equipment, groundskeepers if you like, or park attendants. Some renovating will be done in old houses for museum purposes on Hecla, trail and road clearing. The Selkirk training plant is continuing, fully operative, and of course it's intended to get into a housing development in St. Laurent through the Manpower Corps system, so you have a very significant increase in the Manpower Corps training program in the Interlake. That is, incidentally, a 90-10 proposition, 90 percent federal cost, 10 percent provincial.

Land clearing is somewhat higher than last year from 298,000 to 330,000. Resource Management is up from 271,000 to 297,000. Training in Industry is up from 59,000 to 98,000. Community Affairs is up from \$120,000 to \$150,000. That's it. Those are the programs in those figures.

MR. CHAIRMAN: 19 (a)--pass? The Member for Rhineland.

MR. FROESE: I find that when we are discussing drainage under another department that the Minister is always very touchy, the Minister of Mines and Natural Resources, that monies should not come from the general pot for drainage purposes. He would like to see it that the people that would benefit should participate in paying the costs. Here we find this program where they're going to spend 330,000 for drainage purposes and they have spent considerable amounts in each of the years that this particular program has been in effect, and I'm not sure how much is to go as far as developing drainage for the general Interlake area. Probably the Minister could give us that information. I am all for programs of this type because, by providing proper drainage, these lands will be so much more useful, so much more productive,

(MR. FROESE cont'd.) . . . . and this naturally furthers the interests of the province as a whole. If this area can produce that much more it will add to the total income of the province, and I feel that we are certainly going in the right direction by providing programs of this kind.

I notice also that the Federal Government is making by far the largest contribution in a program like this. As the Minister pointed out, it's a ratio of 90 to 10 percent so that we are benefitting to a very large degree from a program of this type. I wonder, has the Minister explored whether we could not have similar programs of this type in southern Manitoba where we also need drainage very badly? -- (Interjection) -- Well, maybe the Member for Morris knows more about it and that he has been in the area. I don't know whether they are building golf course up in the northern country with this money but certainly I would like to see more money spent in southern Manitoba on a program of this type. Has the Minister anything to add, or can monies be secured from the Federal Government for this purpose?

MR. USKIW: Well, let me say, Mr. Chairman, that this is a fixed agreement or a fixed sum of money for a fixed number of years. The original agreement was \$85 million for a ten-year period so that there's no -- you can't talk in terms of expanding the designated area to cover all of Manitoba unless of course you can talk in terms of expanding equal sums of money across all of Manitoba.

I think that what the honourable member is getting at though is other agreements that the province may enter into with the Government of Canada and we have The Pas project, the Newstart project, the project to provide facilities for the town of The Pas, the new agreement for the Brandon area, as a designated area, is another such agreement. All these new activities come under the Department of Regional Economic Expansion so that there are other agreements for other parts of Manitoba. Now they may not be inclusive of all of Manitoba. This is something that is in constant negotiation with the Government of Canada and of course you have your incentive grants for industrial development.

MR. CHAIRMAN: The Minister of Mines and Natural Resources.

MR. GREEN: Mr. Chairman, the Honourable Member for Rhineland appears to have inadvertently misrepresented me. He suggests that I am against using general funds to provide drainage in areas where drainage are a problem and I have never suggested that I am against it. That is completely consistent with my thinking. I have always said that it's necessary for the province to get together and use its general revenues to provide for people who are specifically a problem. It's the Member for Rhineland who is against that type of thinking. He says for instance that when we talk about a health plan, of using general revenue to provide for people who are sick and not for people who are healthy he says well don't do that, let the people look after themselves. -- (Interjection) -- Of course. But the fact is that you have represented that I disagree with this. I have never disagreed with it. It's you who have disagreed with it and I have asked you if you are so much against, if you are so much against levying taxes to provide for specific needs even where the people who have to pay those taxes have to do so compulsorily and even though they don't get the benefit of it, how do you reconcile your position with the drainage program which I am in perfect agreement with. I find it difficult to understand how my honourable friend who can argue today that if people are in trouble and want to get to a program let them voluntarily pay for it or else don't charge people who are not troubled by it for something which other people need, but you are in perfect agreement for charging people who have dry land all year round -- and I agree with it too -- to pay to the general tax levy to aid people who have wet land because of drainage problems. I agree with that and never expressed any disagreement with it. I wonder how you agree with it?

MR. CHAIRMAN: Perhaps this debate would be better continued under the Minister's appropriation. 19 (b).

MR. FROESE: No, Mr. Chairman, we are definitely discussing drainage under the FRED Agreement, the FRED Agreement involves . . .

MR. CHAIRMAN: Order please. We are discussing drainage as relevant to the Department of Agriculture. Now if the member has a debate to carry on with the Minister of Mines and Natural Resources under his department I would suggest it would be better directed to those estimates. The Minister of Agriculture.

MR. USKIW: I wanted to clear up that point. If the honourable member looks at the estimates of the Department of Mines and Resources he will see \$1.565 million under the ARDA drainage program, a water control program, and he will see a million dollars in the FRED program, so that they are not connected with my department.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, the Minister just pointed out to us -- I asked him what the allocation of \$1,950,000 was for. He pointed out that the agreement in the Interlake area provided \$330,000 for drainage. So I have every right to discuss that portion of the drainage that is under this allocation here. I was suggesting to him that he try and secure agreements like that for southern Manitoba.

MR. USKIW: Mr. Chairman, on a point of order. I did not say that the program was used for drainage. I read off a series of programs none of which include drainage.

MR. FROESE: Well you mentioned the one item was increased from \$298,000 to \$330,000 and this was for the Interlake area -- (Interjection) -- Well I have been in the area and I know that drainage programs have been going on there and money has been spent for drainage purposes under this very agreement -- and it's a ten-year program. Sure, we've been discussing this in past years.

MR. CHAIRMAN: Order please. That was what I was attempting to point out to the member, that it is under the Department of Mines and Natural Resources and not under this Minister's estimates, that you should direct your remarks to this Minister's estimates which is . . .

MR. FROESE: We're discussing the Canada-Manitoba FRED Agreement and the services that are being provided . . .

MR. USKIW: Certain sums.

MR. FROESE: Certain sums, yes. And when I ask him that he try and secure similar agreements for southern Manitoba I think I am strictly in order, and I do hope the Minister makes some effort in the future to secure something for the people in southern Manitoba as well. In past years we have received brochures from the government outlining programs under these agreements, to what extent they had progressed and what the program entailed for the coming year and we expect such a brochure and such information again this year.

MR. USKIW: Well, it's my understanding that under our FRED Agreement, and I believe the ARDA Agreement, that part of the contract with the Federal Government is that adequate publicity be given to the programs that are being carried out. I presume that we will keep the public informed and I'm sure through the same media the members opposite informed.

MR. CHAIRMAN: 19 (b)--passed. 19--passed. 20? The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I would like to have information from the Minister on this item. It's considerably increased. What does The Pas Special Area Agreement stand for? What items are included in this allocation?

MR. USKIW: This part of The Pas Special Area Agreement has to do with a manpower training program. It's a manpower corps project as the one in the Interlake. It involves training people for mechanized logging operations. Some 59 clients through the training program in that operation out of which 21 graduated. Construction skills: We had 39 students of which 23 graduated. In industrial skills, 9 still attending; in ability of youth we have 45 involved, and in service workers we have 24 students involved. This is a training program as part of the overall The Pas Agreement tied in with the development up at The Pas.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Is this also a program supported by federal funds and if so does Churchill Forest Industries or that whole complex tie into this? Are we in any way subsidizing this complex with this particular item?

MR. USKIW: First of all, the cost-sharing arrangement is 50-50. Fifty percent federal, fifty percent provincial, and it's my understanding that our contract with CFI demands that we provide training facilities or trained loggers for the complex. I don't know about the other areas but in this particular case we do have an obligation to try to train loggers for CFI.

MR. CHAIRMAN: 20--passed. The matter under consideration is Resolution No. 61. The Minister of Labour.

MR. PAULLEY: Mr. Chairman, this is the third occasion on which I've had the privilege of presenting the estimates of the Department of Labour to this Assembly; and I intend to comment on the operations of the Department and on matters which are currently of most concern to it and to also outline our intended course of action in the immediate future so far as legislative changes and administrative developments are concerned.

I expect that the account I give of these matters will be of interest to this House and I hope to Manitoba public as well. I know, too, that honourable members will have many

(MR. PAULLEY cont'd.) . . . . questions to put to me about the department and its responsibilities and I welcome such questions, Mr. Chairman, and I hope to be able to answer them satisfactorily. I think this type of exchange will prove very worthwhile because it makes far more known about the department, its responsibilities and recent and contemplated changes than the estimates show. In some respects we all know that estimates are not very revealing. In fact just to judge simply from the format of the estimates for the department one might conclude there has been little or no change in it. In some ways this has been much the case. The department's basic areas of responsibility, its administrative functions, its size and composition of the staff, its internal organization has not been changed, but I cannot say that no such change will take place in the future, for numerous changes in the legislation the Department administers were made last year. More will be introduced this year and we intend to extend the administration of the legislation and programs of the department in ways that will continuously provide the most effective services possible to the parties of interest in all areas of the province. This means, for example, that as northern Manitoba develops we intend to locate staff in that area of the province. And may I say, Mr. Chairman, we have already started in this development by -- through the Workmen's Compensation Board, the establishment of a full time representative of the Workmen's Compensation Board at The Pas. We have also made provision for a member of the mechanical and engineering staff at Thompson and just the other day a representative dealing with matters of the labour relations section of the department started out in the north. In addition, the high unemployment and slow economic growth in this country has had its effect on the Department of Labour as well. For example, there was a marked increase in the number of complaints made to the department in the last year over termination of employment. In short, the department will necessarily change in size and organization as its legislative responsibilities, the growth in the province and economic and social conditions require.

At present the Department of Labour is one of the smallest in the provincial government in terms of both its budget and its staff. But I do not think that these are adequate measures of the scope and importance of the department's operations particularly the application of its legislation. So I say, Mr. Chairman, while its budget and its staff may be comparatively small, its influence on the well-being of Manitobans, both of management and of labour, goes far beyond a comparative dollar figure. The rights and responsibilities set forth in the legislation apply to the vast majority of employees in the province and to virtually all of the employers within the province's jurisdiction. In fact, Mr. Chairman, it is the nature and extent of the legislation we are responsible for that are I think the most important measures, for the provisions of our labour standards legislation establishes minimum conditions respecting wages, hours, vacations, holidays and termination requirements and our labour relation provisions directly influence the nature and behaviour of industrial relations in Manitoba. It is on these two broad legislative fronts that we have introduced many changes in the last two sessions, changes which demonstrate the strong commitment the government has to the encouraging of the development of free collective bargaining for workers who are or desire to become organized on one hand and to increasing labour standards for unorganized workers in accordance with changing needs and conditions on the other hand.

I want to point out, Mr. Chairman, to this Assembly that this government does not intend to follow the pattern that is developing in Canada, unfortunately, and in many jurisdictions. I note tonight, for instance, in the Winnipeg Tribune an article referring to statements made by the Premier of Saskatchewan recently in Toronto where the Honourable Mr. Thatcher, according to the headline, says that Saskatchewan plans new laws to counter unions to bring about an aura of compulsion. And recently at the Labour Ministers' Conference in Ottawa the Minister of Labour in Saskatchewan, and indeed one or two other Ministers of Labour that were in attendance, indicated that they were going to bring about compulsory arbitration in labour disputes. I reject that completely that only in an aura of free collective bargaining can we have justice in the industrial fronts, in my opinion, in industry and other aspects as well.

I had the opportunity last fall as a representative of the Government of Manitoba to go into that great country of Australia to attend a Parliamentary Commonwealth Conference and while I was there I had an opportunity of taking a look at their compulsory arbitration legislation and how it was working in Australia, and I found that on a comparative basis, population-wise, under compulsory arbitration there were more strikes in Australia than there were in any area that had free collective bargaining. And I want to say, and repeat that as far as I am



(MR. PAULLEY cont'd.) . . . . . concerned, as Minister of Labour in the Province of Manitoba, that I will reject efforts made to bring about compulsion as a legislative weapon in industrial dispute. I realize when I say this that there are times when government intervention may be necessary in industrial disputes but they should only be applied to the peculiar instance that happens at the time and that there should be no permanent legislation as is suggested in Saskatchewan through their Emergency Labours Act at the present time.

I would like briefly, Mr. Chairman, to recall for the Assembly the types of changes which have been introduced primarily to indicate our concerns and the direction changes will be introduced which we intend to take. The Minimum Wage was increase, if you will recall, last October to \$1.50 an hour and the Throne Speech of this year indicates that consideration is being given to further increases. I may say for the information of the Assembly that just today as we rose I found in my file the report of the Minimum Wage Board and I will be tabling the same in accordance with directives as soon as I have had an opportunity of reading the same. And you are aware, of course, that other jurisdictions have taken steps to increase their minimum wages.

I understand that the federal administration have ordered an increase to \$1.75 effective the 1st of July. I believe other jurisdictions, Ontario and British Columbia are in the process of increasing theirs as indeed Alberta has also. I understand that in the Province of Saskatchewan that their minimum wage will be increased to \$1.50 sometime later on in the fall. I want to say, too, that it was with some satisfaction that we originally increased our minimum wage from \$1.25 to \$1.35 prior to the federal administration increasing their minimum wage rate and I think that we can properly say that we took the lead at that particular time in the provision of more per hour minimum wages.

Last year for the first time in the history of this province we legislated that those represented by Labour Unions and those not represented by Labour Unions could have a holiday without loss of pay and paid public holidays were put into effect last year extending an entitlement to which the vast majority of the employees in Manitoba had. Last year we brought about equality of the work week between men and women when we made an amendment to our legislation that the standard work week for male employees would be reduced from 48 to 44 hours that same as women. We are not satisfied with much of the legislation that we introduced but felt then and to some degree feel now, that we had such a gap to pick up insofar as labour legislation and working conditions in Manitoba that we couldn't do it all at one shot.

Improving the level of benefits under existing labour standards provision is necessary as needs and conditions change and we will continue to examine these. While levels have varied from province to province, labour standards in most jurisdictions have tended to cover for sometime the same areas of working conditions. Changes are being made, as I indicated a moment ago, in some of the jurisdictions, however, which establish new entitlements and minimum standards intended to achieve greater equality of opportunity and protection concerning employment. I am referring more specifically at this time to new equal pay and maternity leave provisions under federal legislation and to provisions concerning advance notice in the case of group layoff or dismissals.

I compliment the Federal Minister of Labour for some of the changes that he has brought about in the federal labour legislation. Much of it following after some of the legislation that we have had here in the Province of Manitoba. Much has been said of the changes in the legislation at the federal level of the Equal Pay Act. Basically we have had that legislation, and I compliment previous administrations in doing it, having legislation in Manitoba, but we intend, we intend in other areas as well to become an advance area for progressive legislation.

Adoption of provisions similar to these, including the possibility of entitlement to severance pay is under active consideration by the government. I indicated some time ago that it is the intention of this government, as quickly as possible, to establish a labour code for the Province of Manitoba so that we all will understand clearly the rights of management and labour and government and the public in matters concerning labour.

The problems of our labour standards legislation is intended to cover, at minimum levels, those which are more effectively met by labour and management through the process of collective bargaining. This government's belief in and commitment to free collective bargaining is well known and was demonstrated last year when changes were introduced for the express purpose of facilitating union organizing and certification and extending collective bargaining rights to new groups of employees.

(MR. PAULLEY cont'd.)

Our concerns regarding collective bargaining fall essentially into three categories. First, we intend and wish to encourage the growth of the trade union movement in the Province of Manitoba, because we feel that it is basic that every worker in the province should have an opportunity of belonging to an association of his or her choice.

Secondly, we wish to insure that collective bargaining functions with minimum intervention from government in the most effective way possible. It would be our intention to lay the ground rules and the basic legislation necessary to bring about freedom of association in this province and without government dictatorship allow the rights of self determination to be that of the employee and management concerned, on an equal basis; not as it is and has been in the past.

And third, we need to encourage, ensure protection of the public interest when stoppages in essential industry threatens - not by legislation such as in other jurisdiction, but by this Assembly when necessary - should be called into being to consider whether or not the public is threatened in industrial disputes.

In line with these concerns we will be suggesting changes to make collective bargaining available to new groups of employees, particularly supervisory and middle management personnel. This is an area that has long been left out of consideration as to their rights as individuals in society and it would be our intention to ask you to consider changes in this legislation.

We are actively considering changes which would extend the right to strike, which is, of course, an essential aspect of free collective bargaining, to employees presently subject to binding arbitration such as teachers, provincial government employees, firemen and policemen. And I want to make it absolutely clear when I make that statement we are not suggesting that they should strike but only that they should have equal rights with the rest of society in having the legislative authority so to do. I made a statement some time back pertaining to this particular aspect of collective bargaining and I was assured by many of the groups I have mentioned that they do not intend to use the right to strike but they would appreciate having the right so to do at their choice and not by legislative action of the government.

To improve collective bargaining we are also considering changes which would have the effect of negotiations being initiated more in advance of the expiry date of collective agreements and a change to insure that awards resulting from arbitration are enforced. It is rather peculiar, Mr. Chairman, that we have legislation at the present time establishing the rights of the Minister of Labour or the government to establish arbitrators under collective agreements but challenges are being made at the present time as to whether or not the award of arbitration board is binding and it will be our intention to insure that such is the case.

I am also interested, Mr. Chairman, in extending as administrative policy our conciliation services to the parties at any time they wish to use them. There has been an increasing tendency for this to occur and our conciliation officers have been able to assist with problems facing labour and management at times other than when there is contract negotiations.

I'm firmly convinced, Mr. Chairman, the time to stop strikes is not just at the time when collective agreements are being considered but far in advance. If labour knows what is in the mind of management and if management knows what is in the minds of the union far before determination of collective agreement, I'm sure that there is a greater chance that there will not be industrial disputes and I think these steps should be continued and extended as a policy of preventative mediation. I would not suggest that we should impose by legislation preventative mediation but in an aura of compatibility and understanding and I think we can go far to continue the good record that we have had in Manitoba insofar as strikes are concerned.

In general, I think Manitoba's experience has shown how effective collective bargaining can be as a method of resolving mutual problems between labour and management. Over the years the province has been comparatively free of industrial conflict, the parties themselves, labour, management and government, have generally shown a great deal of responsibility in resolving their differences and where they have required third party assistance, that is labour and management, our conciliation officers and services have been appreciative and very effective.

In sharp contrast to this, Mr. Chairman, as all members of the House will be aware, is the tragedy of the Flin Flon strike. Because of the unique location of the mine, straddling a provincial boundary, the dispute is under federal jurisdiction and a dispute has been going

(MR. PAULLEY cont'd.) . . . . on since the 27th of January. Despite this, being under federal jurisdiction, I have offered the services of our department on a voluntary basis to the parties, but they were not accepted. I have been in constant touch with the Honourable Bryce Mackasey, the Federal Minister of Labour to request a more concentrated effort on the part of the Federal Government in resolving this dispute. I know that the Minister is aware of the effects of the dispute and its effect on the Flin Flon community and I can only ask that members of this House join in the hope that the new negotiations to commence, according to newspaper reports, on Thursday of this week will be successful, but I regret very, very much that it has taken so long for real active participation of the federal authority.

While I was down in Ottawa just this weekend, I spoke to the Federal Minister, and he assured me that he at long last was going to take personal intervention and possibly that has helped in the announcement that an attempt will be made to resolve this unfortunate strike. I might add that the concern we have for this matter is in the first case to see that the dispute is settled and work resumed. Transcending the immediate matter of management and labour relations, however, is the ultimate question of the community's future existence which we are prepared to take all necessary steps to preserve.

It may be, Mr. Chairman, that some noted a remark that I made while up in Flin Flon some three or four weeks ago in answer to a question as to what the Government of Manitoba would do if Hudson's Bay Mining and Smelting moved out. My reply at that time, and I repeat it, if such would be the case, we will not see the community of Flin Flon die; that if necessary we would conduct the operations of the plant in order to save a community and to continue its contribution to the well-being of this province; and it's not a prediction at all. As a matter of fact, and I would suggest to my honourable friend the Member for Lakeside, it's a responsible attitude for government to take after a dispute has been in effect for some three months. And I don't know what my honourable friend, Mr. Chairman -- I understand that his Leader sent him out there on a boy scout mission to see, first of all, whether there was a strike -- (Interjection) -- Yes, and a heck of a lot of other things went out with Duff Roblin too, thank goodness for that, Mr. Chairman, because at last Manitoba can breath as a result of them going out, and Manitoba has some hope for the future because they went out, and if my honourable friend the Leader of the Opposition wants to send the Member for Lakeside on any more boy scout missions, I'm sure the net result will be similar to what it was under the previous administration, to the detriment of Manitoba and Manitobans.

Mr. Chairman, another matter which has caused us much concern and to which the government has responded, is the matter of unemployment. The whole country has been ravaged by increased unemployment, a result very largely of the economic policies that the Federal Government has followed. In Manitoba the average unemployment rate rose from 2.7 percent in 1969 to 4.5 percent in 1970, and we regret it very much. However, we have fared better than some regions of the country and there is an indication that conditions are beginning to improve in Manitoba. Manitoba's unemployment rate has declined in the last three months and is likely to show further improvements. Naturally enough, through seasonal influences in part but also due to the special measures this province, this government has initiated last fall to alleviate unemployment through our expanded housing program, through our PEP program, winter work, this government has demonstrated that it will act within the limits of its capability to combat unemployment. Beyond this we can only join with the increasing number of leading economists and other public figures in imploring the Federal Government to pursue policies that will bring about full employment and increased economic growth for our country. And when I talk about full employment I'm not suggesting, as the federal administration apparently is under its unemployment insurance legislation, full employment being somewhere in the neighbourhood of four percent of the labour force.

At this time, Mr. Chairman, in my opening remarks, may I indicate how satisfied I am with members of my staff, and it is customary for a Minister to pay tribute to his staff. I do so now, not just for the sake of custom, but to commend them for the dedication and effort they devote to providing service for the public. I stressed earlier that the most important measure of government's influence in the labour sphere is the nature of its legislation. I would like to add now that the effectiveness and the acceptability of legislative provisions often depends crucially on administrative practices and the approach taken by the staff in performing their work.

So, Mr. Chairman, in introducing the estimates of the Department of Labour for the

(MR. PAULLEY cont'd.) . . . . consideration of this committee, I want to say that I am not satisfied, as Minister of Labour, with what we have done since becoming the government; I'm not satisfied with the situation prevailing in Manitoba regarding unemployment. I'm not satisfied as yet that every individual under our present legislation has the right to free association. In some of our areas legislation is lacking and I intend to make recommendations for change to give to every worker an opportunity to belong to a union of his choice, and while I say that, at the same time there is no desire on our part to persecute management providing they too accept that fair play is a fact of life, and I commend to the consideration of this committee the estimates we have before us.

MR. CHAIRMAN: The Member for Lakeside.

MR. ENNS: Mr. Chairman, I hate to disturb the tranquility of this House. There have been occasions, of course, when a Minister of the Crown speaks and some members fall asleep, but seldom has it occurred that when a Minister speaks he himself approaches that similar situation of almost falling asleep. But I want to say that I'd like, in the few remaining moments that I have, to vent some frustrations, frustrations that come from having lost the election some June 25ths ago. Having sat in the Opposition some two, three sessions now, I wanted to make this speech the first session that we had, that memorable fall session that we had, but no, I was temperate; I waited. I waited the next session to make the speech that I want to make now but I didn't, because the excuse, the reasonable posture being put forward by the members opposite: "but we were only in for 12 months" or 14 months or 6 months or 20 months - was pretty valid. But now, Mr. Chairman, I do call upon you to allow me some latitude with respect to perhaps stretching the imagination of even you, Sir, in permitting a few remarks. I sat back, Sir, and for all intents and purposes it could have been Gurney Evans making a speech with respect to the situation of labour in this House just a little while ago.

Now, Mr. Chairman, if there was one Minister and one department since the inception of this government and this party that should have been giving the hell and damnfire speech filled with brimstone and fire, that is the Department of Labour and the Minister of Labour, about what they're going to do for the working man. What do we hear, Sir? We hear phrases of "We are actively concerned." "We're going to take a look at this." "We look for management to take a responsible view." "We applaud the past performance, the harmony of labour and management in this province." This, Mr. Chairman, is the working man's government that they have been waiting for, that's going to change from bottom to top overnight their lot in life? Well, Mr. Chairman, this is surely what we were led to believe while the honourable gentlemen sat on this side of the House - on this side of the House. And what we have here, Mr. Chairman, is essentially, essentially of course, what we did to the past department in recognizing, as he recognizes now in a position of responsibility, that (a), No. 1, that the past Conservative government provided him with some damn good staff, and that the past provincial government, past administration, saw to it that we created a climate in this province of harmony, of labour and management relationship which few provinces in this country can equal. This all, Sir, being done by that reactionary government of the right, those evil Tories, those Conservatives, that have no heart, no feeling for the working man or his concern.

Mr. Chairman, this is really incredible. You know, I can expect revolutionary statements coming from any department and all departments, but that's the one department that surely, after three sessions of government, we would expect to see the lid blown. And, Sir, with all due respect, that is a singular Minister that I'm prepared to accept that has the capacity to blow the lid if he so felt so. His own personal history - and I don't mean to, Mr. Chairman, in any way and I know that the Honourable Minister will not accept this in any other way than as a compliment when I cite to the House his dedication to the labour movement over the years, his involvement with organized labour, his steady progression to now the point where he, a grass roots labour man, sits in that vaulted office as the Minister of Labour of the province, and makes the speech that he has just made us; one, Sir, that all of us on this side of the House could get up and bow to, of acknowledgement of the fine job the previous administration has done with respect to keeping the peace in labour, and also a commitment and a dedication that he is not going to rock the boat, he's going to do his best in the footsteps of those who preceded him - Obie Baizley, Jack Carroll, those fellows - that he's going to carry on that tradition and maintain -- (Interjection) -- Witney, yes, another good man. He's going to carry on that tradition and he made that kind of speech in his presentation of his estimates.

MR. HANUSCHAK: Mr. Chairman, I believe the honourable member — a few moments ago he was about to refresh our memory on what we said when we sat on that side of the House? I've been listening very intently and I'm still waiting.

MR. CHAIRMAN: I'm sorry. If you have not a point of order I would appreciate not interrupting the member. The Member for Lakeside.

MR. ENNS: Mr. Chairman, I'm in a charitable mood tonight and I've been put in that mood by the speech made by the Honourable Minister of Labour. So let me just simply say that, you know, I had to get this out of my system. My frustration had to be vented -- you know, two years sitting in opposition not having shared my wife's bed for three nights and other things like that. This has all worked up to the fact that you have to make these kind of statements.

Now, there is one particular statement that I do want to take issue with the Honourable Minister, and I take it with him most seriously. He mentions the process of free collective bargaining and I want to ask the Honourable Minister, in the course of his reply, to seriously consider how, and perhaps in what manner, that posture of free collective bargaining is jeopardized by the intervention of the state, of which he is part of, when the state becomes part of that process of bargaining by providing funds to striking workers. Now this government has already indicated that they have no intention of indicating to this House nor to the people of Manitoba on what occasions this government has paid welfare to striking workers. I refer specifically to the Address for Papers or the Order for Return that I have in the House, asking for the number of persons that applied for welfare benefits as a consequence of strikes, and I mention two specific strikes because they happen to be current — the Motor Coach and the current strike now at Flin Flon — and I believe the indication has been from the government benches that they will not accept that Order for Return and not tell the people of Manitoba who they are paying or to what extent they are using public funds for this purpose. As I indicated at the time that I spoke on that Order for Return, if we want to debate, if we want to debate the principle involved that's one thing, but if on the other hand we want to speak about free collective bargaining and non-interference with that sacrosanct position, that's another thing.

The Minister of Labour today in his opening statements paid tribute to the free collective bargaining process, and I want to assure you, Mr. Chairman, that I concur with him in that particular principle and purpose, and that I would hope that we in Manitoba do not follow steps taken, for instance, in Saskatchewan or in B. C., where labour legislation has been introduced; that, in my judgment, it appears basically and essentially with that free collective bargaining process. I would like them, Mr. Chairman, to consider whether or not state intervention on the part of one party to a strike by means of support is not also circumventing the free collective bargaining process. I suggest to you, Mr. Chairman, that that is a principle that we want to discuss fairly seriously in this House. I'm not prepared to commit myself at this particular stage as to where I stand on that particular issue. I simply think that I would like to hear, and it's the responsibility of the government to let them rationalize their position and their posture, keeping in mind their position and their respect for the free collective bargaining posture that the Minister of Labour has just outlined for us in his opening remarks of his estimates.

Mr. Chairman, the Minister of Finance says I'm an expert in labour. I am an expert in labour of certain kinds but not the kind I think that he was referring to. But, at the same time, Mr. Chairman, I think that there are a great number of things that are occurring in our society at the present time, particularly in our ever-increasing permissive welfare state that we are developing into that comes very close to the core and the argument with respect to collective bargaining, some of the benefits, fringe benefits, that other speakers on this side will deal with, that have over the years been accrued to labour. I mention Workmen's Compensation. You could mention Unemployment Insurance. As a matter of fact, if we want to rationalize and take an entirely different approach and throw tradition to the wind — and maybe we should; maybe we should — then let's look at it that way. But what I have a concern for is what is happening is that they want to have their pie, eat it, and still be able to display it in the sense of benefits that they fight for and choose to have accrue to one side of the bargaining team, whereas a third party, namely the state, intervenes on one behalf, which in my judgment places an imbalance in the situation.

Mr. Chairman, the Honourable Minister referred to my boy scout mission up to Flin Flon. Let me assure him that it was not a boy scout mission up to Flin Flon. In fact my

(MR. ENNS cont'd.) . . . . trip to Flin Flon was made without the presence of press, without the presence of accompanying publicity and without throwing a social after my visit, being there. I went there simply as a representative of my party to be able to speak with, not expertise, but with some firsthand knowledge as to what the specific situation was in that particular and unfortunately the only serious labour strike that we have in the province at this time.

I would suggest to the Honourable Minister that we do not attempt in this House, in this Legislature, to in any way play politics with that situation that is currently in Flin Flon, and I know the Honourable Minister has no intention of doing so. I respect the efforts that the Minister is making through the federal agencies which are currently responsible essentially for that situation, but I would like to come back to an initial question that I asked of the House and I gathered rather surprised the honourable members opposite, that why do we not at this time seriously entertain -- and I mean seriously, by means of setting up specific meetings with the responsible people in Saskatchewan, with the responsible people in the Federal Government -- to see that that abnormality, and it is an abnormality, where we have some 2,700 workers, essentially Manitobans, not covered by the Manitoba Labour law, come under our jurisdiction. I suggest to you that the reason they are not was one of convenience and expediency; the fact that this particular mine and this community found itself straddling a border of Saskatchewan and Manitoba, we found it convenient not you, but we - I don't even know if we, but whoever did - but many years ago, to simply pass that responsibility over to a third party as being easier to adjudicate or easier to pass jurisdiction over that particular situation, I suggest to you that that is no longer good enough and that the people living in Flin Flon are Manitoba citizens living in Flin Flon and the mines associated with the development there have every right to work under the Manitoba Labour Law as do the other people that work in the mining industry and community in Manitoba and that rather than just simply, you know, slough off the suggestion because it comes from an opposition side, but to seriously entertain and to seriously seek to bring into provincial jurisdiction what in fact should be under provincial jurisdiction.

Mr. Chairman, we in the west sometimes treat far too lightly our provincial rights. I can assure you that if this was a situation involving some other provinces, some eastern provinces, the provincial rights issue would be a very important matter and we wouldn't be passing off so lightly the matter of jurisdiction over a certain portion of our province, a certain portion or jurisdiction over certain groups of our citizens, and if there is one thing that I detected during my visit to Flin Flon, recognizing that it was not something that could necessarily be applied immediately to the current situation, was a genuine desire on the part of the people, the townspeople of Flin Flon, the workers, the striking workers of Flin Flon, is to come under the jurisdiction of the Manitoba Labour Law. They expressed that to me privately and openly and I'm sure they also did the same to the Minister during his visit there and I suggest to you that while we perhaps cannot do all that much in terms of effectively intervening in this strike, we may be called upon, if the honourable federal minister chooses to call upon the honourable minister of labour here, and I would support the honourable minister if he would certainly agree to do this, but for the long term solution, and to accede to the wishes of the people of our Manitoba citizens in that area, I think that steps should be undertaken, commitments should be made by this government, to seriously undertake efforts to bring this whole situation under provincial jurisdiction.

Mr. Chairman, there are other remarks that I may want to make during the course of the estimates and of course, there will be other speakers with respect to the Department of Labour generally from our group. Let me simply say again that the Honourable Minister of Labour has reinforced for me what I have long suspected, that essentially, despite the bravado and despite the bluster that's provided by the members opposite, it is their hope essentially to attempt to govern, nearly as well as we managed when we were the administration, and that essentially I think is what the Minister of Labour told us in his introduction of the Minister's estimates.

The Minister of Transportation would like to be able to build roads nearly as well as we built them during our administration, and nearly as many. And when I get to his department I'll deal with him. But this has to be a disappointment to those of us, particularly from that minister and from that department, who, you know - although I must admit in the last few days we have learned to believe that principles bend very easy on that side and that what they

(MR. ENNS cont'd.) . . . . . said on this side really was not to be taken all that seriously, lotteries, you know, acreage payments and things like this -- and other things. I'm somewhat reinforced in my position, having, you know, begun to suffer somewhat from an inferiority complex sitting on the opposition side for two, three sessions, you know, that maybe we didn't do things right on this side and that maybe there were some things that we were essentially out of touch with in the people; but to hear the Honourable Minister of Labour get up and make a speech as he just said, which essentially was, boys, you know, in the echo of Obie Baizley and Buck Witney and Jack Carroll, "we're carrying the banner, we're trying to carry the torch, we'll try and do the same job you did fellows, just give us time, let's get a bit of experience, and we may not make as many mistakes you know, as you did in the first few years but just give us time and we will do the job right." That must be a little reassuring to those Manitobans who for at least a brief period of time thought that we were in for some radical reforms, some radical governments, some radical new innovations coming in benefits, coming in new programs and coming in changes, particularly for the working man of this province.

. . . . . Continued on next page

MR. CHAIRMAN: The Member for Assiniboia

MR. PATRICK: Mr. Chairman, it will be a pretty hard act to follow but if I may to the Minister, say that when he was on this side he was talking about baby steps that the government of the day were taking and if he were on that side he would take giant steps and it appears to me that in the last few sessions he's been also taking baby steps because even as far as last session I still had resolutions in this House on statutory holidays and work hours and a few others and you still had to prod the Minister along and push him and say what's happening, you've had a session, now this is the second session, so we had to prod him along to encourage him to bring some of the legislation that we were talking about when we were in official opposition and which his party agreed when they were on this side of the House.

However, be that as it may, I wish to express my appreciation to the staff in this department which I have always found very cooperative and at any time that I wanted any information they were always helpful. I noticed the Minister in his introduction mentioned that it is the smallest department with the least money spent and his job wasn't too difficult. I may say it's quite unfortunate because according to the report I see that the labour force, the total employment averaged 363,000 employees unchanged from the previous year, and the way things are going at the present time it will probably decrease in this current year. I hope this is not the case but if there is, the statement in the report is an indication that Manitoba is not faring up too well, if we are the same total average employment, which means we are standing still, and whenever one is standing still you are moving back. I think it's a most unfortunate situation because I know this is not happy news to the Minister of Industry and Commerce. Not that the Minister of Labour probably can do much about it, but I'm sure some of his other colleagues can do something about it, particularly the Minister of Industry and Commerce.

These are a few things that the Minister mentioned in respect to a standard work hour and so on and I'll deal with that in a little while, but I again would like to ask the Minister for consideration of consolidation of all the statutes. If you look on the first page you have 22 statutes that the Labour Department deals with and if for nothing else, I know that I have been told by employees, by even people in the legal profession and many others, the difficulty encountered by the public by dealing with so many statutes and I would hope that the Minister of Labour would consider the labour code and bring in the consolidation of all these acts into one bill which I think would be a useful thing. Perhaps even the industrial relations committee can deal with it during the recess if it would be too much for his department. And if he does bring in the labour code I would hope that he would consider some of the points that he mentioned were included in the federal labour code, such as the minimum wage, time off for female employees for maternity, some severance pay for people after a few years of employment. I think some of these are very important points.

I know that \$1.75 minimum wage may be harmful to some of the industry, particularly the garment industry, but I think that the Minister must give consideration that some of these industries -- perhaps if they were given support in the way of training the employees, because I know, I have talked to some of these people and they say we'd have no problem of paying whatever the minimum wage is as long as when we hire an employee, that this person would be qualified to do the job, but if he has to work for almost two years in sort of a training process, then they object and I agree it's not fair for them. So perhaps the government should give consideration to implementing a program where they can train some of these people for the garment industry and I don't think he would have any objection when he would increase the minimum wage.

The other point, Mr. Chairman, that I wish to deal with, that is with the Workmen's Compensation Act. I know on every occasion that I have I've talked about wage ceilings and at the present time I believe its 6600, if it isn't the Minister can correct me, and I think that should be increased. I see no reason why it shouldn't be increased to at least 7500. On the other hand, I don't see any reason why we need a ceiling, because the employee is only entitled to the 75 percent of his wages in case of total disability anyhow. So I would hope that the Minister would give consideration to that section because I still receive complaints under that section.

The other point I think which is the most unfair part under the Workmen's Compensation Act is monthly allowances to the widows. I know there has been an increase; I feel that they should be updated. I think it's \$120 a month now, in case of death, monthly pension to a widow, but my concern is when the husband is totally disabled and is living he's entitled to 75 percent of his average wages, which if we would like to take an instance say if a man is making \$800 a month and if you take 75 percent that he can earn I believe it comes to somewhere in the neighbourhood of \$500 or \$528 for the man that is totally disabled on a pension, that would be his pension.



(MR. PATRICK cont'd) . . . . .

Now if this man dies, then the widow will receive \$120 pension. My argument to the Minister at this time is that the widow still has the same expense with a fuel bill, with the house payments, her expenses are almost totally the same as they were before and the reduction that she has to take in pension is too much. I think the Minister must give consideration to this point. I know many would say that she can go to work or she'll probably get married again, but this is not so easy for the simple reason, because she may not have the capability, she may not be able to get a job, and if this widow has a couple of children or one child, she would be entitled to \$45 for a dependent and if she has let's say four children or three children, one under ten, or two under ten and one over ten, she'd get \$45 for the ones under ten and \$50 for the one over ten, and again I would say that her pension would probably with dependents come up to something like \$260, which is still half of her husband's pension when he was alive. I think that as far as I'm concerned something must be done. I think this is a complete injustice in this area. Because, Mr. Chairman, even at the present time I have a few people that have come to see me in the last while with the same circumstance and as I pointed out to the Minister, \$120 widow's allowance, say two children \$45 each and one child at \$50, for a total of \$260, which is \$268 less than what the husband's pension was. Perhaps she cannot have the total pension I agree, but surely she should be entitled to at least half of what the husband's pension was. So I hope that the Minister will be able to give some consideration in this respect.

The other point that I wish to make at this time, Mr. Chairman, and I understand some of the members of the government, as long ago as twenty years when they sat on this side of the House, were appealing to the then government for a 40-hour work week. I have talked about it, I know the Minister was all for it when he was on this side and now we are in the third session and we still have the 44-hour week. I know last year we reduced it from 48 to 44 making it the same for female and male employees, but I see the Minister still is taking baby steps, still dragging his feet in respect to the 40-hour week. Most of your industries, your large stores, are on 40-hour week; in fact they're somewhat less, a couple of hours less than a 40-hour week. I see no problem. I understand most of your union contracts are all under 40, and I see no reason why the Minister would not act in this area.

There's another point that I wish to make, Mr. Chairman, and that is in connection with automation. I don't know what kind of research the Minister has within his department to do the type of research that is required and necessary in the province to see how many people are displaced so he would have some kind of indication, not when the displacement takes place but he would know ahead of time what kind of labour displacement will take place in Manitoba because of automation, and I think it's irresponsible to pretend that there is no displacement because of automation; I think automation will only be a success from the point of view if the Minister can assess how much displacement of labour and employment there is, and that he should try and do something about it, because these people who are displaced by employment, it's through no fault of their own, and I think the government should be doing something about it in this area. Our future will only depend on the way we are able to plan to provide for our people with opportunities to acquire skills and to enable them to take their place in the more technical world in which they will be living. At the present time I don't think the government has, or the Minister has within his department, the type of research facilities that he can assess what displacement there is in industry or what displacement there will be because of automation. I think it is our responsibility to prepare our people and to offer them job opportunities.

Mr. Chairman, just a couple more points that I wish to make at this time and that's in connection with sheltered workshops. I would like to know what kind of program that the shelter workshop offers now, how many people it does employ; I'm not so sure that we are doing the job that we should be in this area because there are people who are handicapped to the extent that they are unable to get jobs, and I think this is a good program. I think that perhaps it should be improved, should be expanded, and I think that perhaps the Minister can take a look at it and maybe we can improve that area.

Mr. Chairman, I again wish to refer to the industrial safety and as I recall the Attorney-General the other day was talking about noise pollution from the airport and the planes landing at International Airport. I also would like to mention about noise pollution to the Minister and I wonder if he has been able to determine within his department what effect noises in different industries and in factories has on people. If this has not been done I think it should be because as we progress in many different technical areas where we have more fast engines now and more noises in high frequency motors, I think this is important that this is an area that the Minister

(MR. PATRICK cont'd) . . . . has to look into. -- (Interjection) -- Well you can hardly hear it in our office.

Mr. Chairman, the other point that I wish to make - the Minister said he will be tabling the minimum wage report from the Minimum Wage Board and I don't know what's in it, but I again say to the Minister we cannot ask people to work at rates or wages that require them to live in poverty. I know that in the Throne Speech it was indicated that there will be some kind of a guaranteed income or guaranteed wage, I just don't know what the Minister had in mind, but if he had what I think he had in mind, some support for the people that are under the poverty line, I would agree with him. I think it's not realistic for a married man with a family to live on, say \$65.00 or \$70.00 a week; it's impossible. I think a proper minimum wage will not solve all the problems of the worker and his family. He will not be able to save money for the many things that he has to buy, he will not be able to save money for pleasure, he will not be able to probably save money to buy or save for a down payment to buy a home, but surely if the Minister is sincere and if the Throne Speech had any meaning I wish the Minister would have told us something, what he had in mind in respect to what was mentioned in the Throne Speech in respect to the guaranteed minimum income or whatever the plan was. I feel there is so many people in Manitoba who are making less than what is considered a poverty income. I think from his statistics he can judge how many workers. . . .

MR. CHAIRMAN: I wonder if the member would care to continue his comments when the committee next meets. Committee rise. Call in the Speaker.

IN SESSION

MR. BOYCE: Mr. Speaker, I beg to move, seconded by the Member for Flin Flon, the report of the Committee be received.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable the Minister of Labour, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 o'clock Tuesday afternoon.