

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 31, 1978

Time: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Before we proceed, I should like to draw the honourable members' attention to the gallery, where we have 16 students of Grade 5 standing from the Balmoral Hall School For Girls, under the direction of Mrs. Klymkiw. This school is located in the constituency of the Honourable Member for Wolseley.

We have 18 members of the Over 60 Club of St. Andrew Anglican Church under the direction of Mrs. Harris. This church is located in the constituency of the Honourable Member for Sturgeon Creek, the Honourable Minister responsible for Housing.

And we have 40 students from the Canada and Native Course of Brandon University, under the direction of Professor Lussier.

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

Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. EDWARD SCHREYER (Rossmere): Mr. Speaker, I think it's timely at this stage to ask the Minister reporting for Manitoba Hydro the following question, flowing from the statement the other day by the President of the Canadian Construction Association that there is evidence that all of the electrical energy that can be harnessed in Canada should be harnessed because of awaiting markets in the United States.

Can I ask the Minister if he shares the view that there is evidence to that effect? And also may I ask him if there is anything concrete emanating from the fact that the Government of Canada has been asked to prepare a study with respect to the potential volume of electrical energy sales to the United States, and has been asked to do so by the United States?

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Well, Mr. Speaker, there are really a number of questions contained in the question by the Leader of the Opposition. First of all, there is ongoing and continuing negotiation with interests in the United States with regard to expanded diversity exchange markets, at least, and they are being carried on on a regular basis at the present time in the United States, primarily by Manitoba Hydro. And of course, there is the interchange, or Prairie Power Grid studies, which are just beginning now, and as a matter of fact, we'll be meeting with the four provinces next Monday, again.

But in particular, with regard to the construction comment, any major expansion in construction is contingent on there being much stronger confirmation of export markets, whether they're south or whether they're west, and I presume that the Leader of the Opposition is referring to the head of the Canadian Construction Association's comment that was reported, I think yesterday. But as far as a major expansion is concerned, I know that the Leader of the Opposition is aware that with the coming onstream of both the Jenpeg site and the Long Spruce site, that we are, in our system, probably going to be faced, at the present time, with a surplus potential capacity within 12 months, probably of somewhere in the order of 1,000 megawatts, which is very much in excess of our requirements in Manitoba at that time. The interchange connection in the United States with Northern States Power is not due to come onstream until 1980, so it appears that we will be living with a substantial surplus capacity. Despite all the haste we might try and put into our export markets

at the present time, our first new connection will be 1980, so we are at this time substantially overbuilt for our own use or our own ability to export in the next 12 months. We, as much as anyone else, would like to advance the construction just as rapidly as possible, but with this inventory of power capacity at hand, that's the situation we are in. We look forward and will co-operate as much as possible with the Federal Government to also look for export potential for renewable resources, and I think, though, that the most likely productive effort is going to come from our own negotiations in the midwestern United States, and that is being pursued very actively and certainly has equal potential value with the Western Power Grid Study, although the Western Power Grid Study could be extremely important to tie Manitoba in with both the southern exchange and give us more ability to move power either to the west or to the south.

MR. SCHREYER: Mr. Speaker, it's precisely in the last few sentences of the Minister's reply that I should like to get clarification. I'll pose a supplementary question to the Minister, to ask the Minister if he will give the assurance, or at least explore the possibility of giving the assurance, that while Manitoba will continue as it has in the past to seek out direct negotiation possibilities for sale with various utilities south of us, in addition to that, however, that it will not be done to the exclusion of co-operating with Canada with respect to exploring the wider possibility of sales southward as part of a Canadian-U.S. federal policy question.

MR. SPEAKER: Before the Honourable Minister replies, may I suggest to the Honourable Leader of the Opposition that perhaps he may be able to shorten up his questions a little bit.
The Honourable Minister.

MR. CRAIK: Well, Mr. Speaker, the answer of course is yes, we are co-operating and encouraging, as a matter of fact, as much entrepreneurship in this area by the Federal Government as we possibly can. I just made comment that I felt likely that the greatest potential though was going to come from our direct negotiations but certainly the Federal Government efforts have to be endorsed and there is also a third group, the Interprovincial Advisory Committee on Energy, the IPACE group that the member will be familiar with, who are to report this summer on their work.

MR. SCHREYER: Yes, Mr. Speaker, to try to keep my question to less than 60 seconds, to ask the Honourable Minister if, in expressing that the Province of Manitoba is encouraging the Federal Government to follow up on this initiative by the U.S., can the Minister undertake to check whether there has been any tangible action or request by Canada to Manitoba to follow up on the American initiative in the past three months?

MR. CRAIK: Well, Mr. Speaker, it will have been with Manitoba Hydro and I can make that inquiry.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I would like to direct a question to the Honourable Minister for Urban Affairs. Can the Minister, Mr. Speaker, remind the City of Winnipeg with regard to the standing offer which has been made to municipalities in Manitoba to assist in flood compensation, particularly with respect to those unfortunate people in Tyndall Park, Mr. Speaker, who apparently do not have proper sewage installations and yet had their development proceeded with and, as I understand it, perhaps contrary to engineering advice, and who have been flooded continuously with every heavy rainfall and who again had that problem over the rainfall last week. Can the Minister indicate that the province has available to the City of Winnipeg a program to assist these people who certainly are receiving an unfair share of damage with regard to the rains that have been taking place?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HON. GERALD W. J. MERCIER (Osborne): Mr. Speaker, I was going to rise to answer a question placed by the Honourable Leader of the Opposition last Friday with respect to an inquiry as to compensation for the damage incurred in the storm last weekend. A review by the Emergency Measures Organization would appear to indicate that, in all cases of damage that have come to their attention, those cases are covered by insurance. This is the report I received from the Emergency Measures Organization.

Mr. Chairman, that does not cover the basement flooding, which of course is not covered by insurance. That matter has been a matter of some discussion in the City of Winnipeg Council for

some time, relating to storms last year and is still under review in the Department of Urban Affairs.

MR. GREEN: Well, Mr. Speaker, with regard to the Tyndall Park area, which I asked the honourable member to look upon as a very special case because it's a new development which was developed without proper storm sewerage coverage, can the Minister advise me whether the province has a standing offer, as was my understanding with regard to the last problem that they had, to contribute to compensation if the City of Winnipeg chooses to compensate those people, that the province had a standing offer to the City of Winnipeg to do so? Does that offer still exist?

MR. MERCIER: Mr. Speaker, as far as I am aware, that offer never did exist and that the previous provincial government did not make any offer of compensation as a result of the spring storms that occurred last year.

MR. GREEN: Well, Mr. Speaker, would the Honourable Minister then inform himself, that there was a standing program with regard to flood compensation in municipalities where the municipality wished to make an initial contribution, that the province would be a partner to such compensation. Would the Honourable Minister check that out?

MR. MERCIER: Well, Mr. Speaker, there has been a policy, of course, of where there is a disaster there is a formula for contributions with the Federal Government. There were last fall, I believe, or last summer as a result of the tornado damage, a couple of instances where the previous Provincial Government made an offer to share in some damage that resulted from the windstorm damage. Our government followed through with this and still is in the process of following through with.

But I am not aware of any standing offer of compensation for flooded basements. There was in 1974, in the spring of 1974, when severe basement flooding occurred throughout the City of Winnipeg; that the City of Winnipeg and the Provincial Government did participate in a compensation plan for victims of that basement flooding. But my understanding was that that was confined to that one instance that occurred in the spring of 1974.

I must say, Mr. Speaker, in all honesty, I am not aware of any standing offer of compensation to the City of Winnipeg for damage resulting from flooded basements.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Well, Mr. Speaker, rather than raise a point of privilege, which perhaps would not be completely appropriate, may I pose a question to the Minister of Municipal Affairs to clarify the matter.

Can the Minister of Municipal Affairs indicate whether he will be prepared to check files of Executive Council, in order to determine whether or not it is not a fact that with respect to damages of a local nature which were extensive in the context of the locality, but which were below the threshold of the Federal-Provincial Disaster Agreement, that there was in fact a policy in place which was scaled and proportionalized in the same ratio as the federal to province contribution ratios, this was proportionalized province to municipality on a per capita basis, etcetera. Would the Minister undertake to check Executive Council files in that regard?

MR. MERCIER: Mr. Speaker, I certainly will. I think I indicated earlier that my belief was that there was a formula developed along those lines for the windstorm damage which occurred last summer.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Speaker, I have a question first for the Minister of Tourism and Recreation. In a reply to a question in the House I posed to him a few weeks back concerning the licencing of the Whiteshell Flying Service, he indicated at that time that his department was awaiting action of the Canadian Transport Commission. Mr. Speaker, I now understand that the Canadian Transport Commission is awaiting action by the Department of Tourism and Recreation, in specifics, notification that the Whiteshell Flying Service no longer has a lease in the Whiteshell Park. Could the Minister tell us if, in fact, the Department of Tourism and Recreation has decided that the Whiteshell Flying Service no longer can operate from a leased land in the Whiteshell Park, and will they so communicate that to the CTC so that this problem can be resolved?

MR. SPEAKER: The Honourable Minister of Tourism.

HON. ROBERT (Bob) BANMAN (La Verendrye): Mr. Speaker, as I mentioned several weeks ago, the matter is being investigated right now by myself. I found that the CTC back in 1976 did a study of noise levels at different cottage sites and were satisfied with the results deeming that the noise levels were not in excess of what they think they should be. As a result of that and several other investigations that I am conducting, I hope to have the matter resolved in a couple of weeks.

MR. AXWORTHY: Mr. Speaker, I wonder if the Minister could indicate whether these investigations include further studies on noise levels or any attempt to ascertain what the inconvenience or disruption is presently in the Whiteshell as a consequence of the flying service, particularly the addition of several new airplanes to its fleet.

MR. BANMAN: Mr. Speaker, it's a complicated matter because you have several cottage owners that do not want that particular facility on that particular lake because of the noise levels and the traffic that it causes. However, on the other hand we have lodge owners and different industries, as well as the fire protection service that is provided by that particular operator in that area and the economic problems that are faced with the moving of that particular operator, so I'm looking into the matter. I understand that that particular operator is now in the process of building a hangar at Lac du Bonnet. There is some discussion under way as far as relocation is concerned, but it's not a straight cut and dried situation because there are economic concerns as well as concerns of the people that would like to see that particular facility moved.

MR. AXWORTHY: Thank you, Mr. Speaker. I would like then just to address a question to the Minister of Consumer Affairs — perhaps he would take it as notice if he doesn't have the answer on hand — that is to indicate whether the Bell Canada Company, in fulfilling its contract obligations to supply 500 technical personnel to the government of Saudi Arabia for a telephone system, is recruiting this personnel through the Trans-Canada Telephone System and whether this involves any personnel from the Manitoba Telephone System itself.

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HON. EDWARD MCGILL (Brandon West): Mr. Speaker, to the Member for Fort Rouge, I certainly do not have that information at hand and I shall be pleased to accept the question as notice.

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. THOMAS BARROW: Mr. Speaker, I direct my question to the Minister of Health. Could you tell me and the House if there is any improvement in the doctor situation in Snow Lake?

MR. SPEAKER: The Honourable Minister of Health.

HON. L.R. (Bud) SHERMAN (Fort Garry): There's no permanent improvement, I'm afraid, Mr. Speaker, but the area is still being served on the rotation basis that was put into place pending the final resolution and the final agreement with a doctor prepared to move into the community and live there.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Thank you, Mr. Speaker. My question is to the Minister of Consumer Affairs. In the light of a deliberate refusal yesterday in Ontario by two senior executives of Dominion Stores to answer questions about kickbacks in the retail grocery business, is the Minister prepared to look into that matter in Manitoba to determine if a similar situation exists in Manitoba?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

MR. MCGILL: Mr. Speaker, to the Member for Transcona, I, from his question, don't quite understand the precise nature of the kickbacks that he refers to. If he would be a little more explanatory in that sense, perhaps I could consider his question.

MR. PARASIUK: I might give it more of a preface, Mr. Speaker. Yesterday in the media of the Ontario Legislature investigating the competitiveness of the retail grocery industry, two senior executives of a very large Canada-wide retailing concern were asked specific questions as to whether in fact large chains require suppliers to — in a sense, pay them for the privilege of stocking their

shelves and vice versa; whether large suppliers required stores to pay them for stocking the shelves, whether in fact this condition existed. These officials refused to answer specific questions in that matter, leading to speculation that that situation does in fact exist in Ontario. People have heard rumours about this in the grocery business right across Canada, that's why there was a specific investigation in Ontario.

In the light of those refusals, which seem to add substance to the rumours, would the Minister undertake as Minister of Consumer Affairs to investigate that matter in Manitoba?

MR. MCGILL: Mr. Speaker, if it can be determined that there is reasonable evidence in Manitoba to indicate that some such practice is being undertaken here I would certainly direct my department to investigate and report back to me.

MR. PARASIUK: I'd like to ask the Minister if he would contact officials of Morden Fine Foods to determine whether in fact they had come across any such problems in trying to distribute their goods in stores in Manitoba, and if he would also check with small stores in Manitoba to determine whether they have run into that problem, as well.

MR. MCGILL: Well, Mr. Speaker, without in any way attempting to limit or direct the limits of the investigation which my department would undertake, I am sure that they would be thorough in doing what research is necessary in order to reply back to me.

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. J.R. (Bud) BOYCE: Mr. Speaker, to the Attorney-General. Yesterday, before the Supreme Court, nine of the provinces argued the case of federal jurisdiction vis-a-vis provincial jurisdiction. Was Manitoba one of the provinces involved?

MR. SPEAKER: The Honourable Attorney-General.

HON. GERALD W.J. MERCIER (Osborne): No, Mr. Speaker. Last week we were one of six provinces who were involved in an intervention before the Supreme Court in the jurisdictional dispute involving the Keable Commission in Quebec. We were not represented this week in the question raised by the Province of Alberta.

MR. BOYCE: Mr. Speaker, since this case involves the effectiveness of the RCM Police as a national police force in dealing with the Narcotics Act, and in light of the fact that British Columbia has introduced legislation which the people have expressed the opinion that it will float addicts through the country, what is the position of Manitoba relative to this particular case before the Supreme Court?

MR. MERCIER: Mr. Speaker, I think the honourable member may be under a mistaken impression. This case that he is referring to, for which he was kind enough to forward me a copy of the newspaper report he had been looking at, involves a question of whether the Federal Government has any right to prosecute crimes within the province, and the B.C. legislation he is referring to, I don't think, has any relevancy to the question that is before the Supreme Court in this case.

MR. BOYCE: I'm sorry the Attorney-General doesn't see the relevancy of it. The effect of the case, in many people's opinion, is that effectively this will take the control of the Narcotics Act from the federal jurisdiction and put into the hands of the provinces, where it has been the case that the Federal Government has not only provided the police force to investigate s' narcotic infractions but has only laid complaints under that Act.

So perhaps the Attorney-General can clarify it, if my understanding is incorrect — that in future, should the Supreme Court uphold the three to two decision of the Appellant Court in Alberta, which said that the Federal Government did not have jurisdiction, then this will effectively transfer control to the provinces not only for the investigation of the complaints but the laying of informations and complaints and all the rest of it.

MR. MERCIER: Mr. Speaker, the honourable member is correct. If the Supreme Court does agree with the Province of Alberta's argument, we, in all provincial governments, will have to prosecute cases which are now presently prosecuted by the Federal Government Department of Justice under the Narcotics Control Act.

MR. SPEAKER: The Honourable Member for Selkirk.

MR. HOWARD PAWLEY: Mr. Speaker, if I could pursue that line of questioning with the Attorney-General, could the Attorney-General advise the House as to whether or not he instructed any intervention on the part of Manitoba in the case referred to in Alberta dealing with the constitutional rights — federal and provincial — regarding prosecutions?

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, I think I indicated quite clearly that we have not intervened. We have decided not to intervene in the case that is going on this week in the Supreme Court.

MR. PAWLEY: Mr. Speaker, in the event that the ruling does favour the Province of Alberta, is it the Attorney-General's intention to prosecute narcotics' offences in the Province of Manitoba through his department, rather than through federal prosecutors? Alternatively, if I could pose the question to him — or to appoint federal prosecutors to act as agents on behalf of the province?

MR. SPEAKER: Order please. May I suggest the question is hypothetical? The Honourable Member for Churchill.

MR. JAY COWAN: Thank you, Mr. Speaker. My question is to the Minister of Municipal Affairs. Can the Minister indicate to the House the present status of negotiations in regard to the mass resignation of the Gillam volunteer fire brigade, which is to become effective today, and which is being done in protest of his department's newly implemented methods of remuneration for the firefighters' efforts?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. MERCIER: Mr. Speaker, I met early this morning with the Deputy Mayor of the LGD of Gillam, and I am assured that steps have been taken in the LGD to make sure there is protection for the community. What has happened, for the benefit of the Member for Churchill, is that in 1976 the council passed a bylaw authorizing payment of the LGD funds to an association, the Gillam Firefighters' Association for volunteer firefighting services, and in 1977, approximately \$10,000 was paid to the association for their so-called volunteer firefighting services, and the cheques were made payable to the association. It was then discovered earlier on this year by the department, that under The Municipal Act, Section 283 particularly, council may enter into an agreement with another municipality to provide firefighting services or with another person, and the suggestion was therefore made to the LGD of Gillam that the cheques be made out directly to the individual firefighters, to comply with The Municipal Act. There was some concern expressed by the volunteer firefighters that certain of their volunteers could not be paid for their services because three of them were also members of council, and of course, The Municipal Act restricts payment of money to people who are serving on council. We met early this morning with the Deputy Mayor of Gillam, and have suggested a couple of alternatives. In fairness to the volunteer firefighters, their main concern is, through the association, to set up moneys to be used to provide assistance to people who have suffered damage as a result of fires and to set aside money to buy equipment for the LGD to fight fires. We have suggested a couple of alternatives in the way of establishing a reserve fund, in which the moneys that were earned by the firefighters would go into the reserve fund to be used for equipment, or as an alternative, that they incorporate a non-profit corporation. We described all of these matters to the Deputy Mayor, who will be taking them back to members of council, and we are assured that adequate steps will be taken in the interim to provide protection to the community.

MR. COWAN: Yes, thank you, Mr. Speaker, and I thank the Minister for that detailed answer. My only question to the Minister then is, what will those adequate steps be? What procedures will be implemented to fight fires in Gillam without a fire brigade, if the fire brigade at Gillam does not accept those proposals put before them by the Minister today?

MR. SPEAKER: Order please. Before the Honourable Minister answers, I hope that his answer will be a little shorter than the previous one.

MR. MERCIER: Well, Mr. Speaker, I was really responding, I think, to three or four questions from yesterday. I can only advise the honourable member that the administrator at Gillam has assured my Deputy Minister that adequate steps have been taken to make sure there is fire protection in

the community; I am sure what that means is that the volunteer firefighters will react to any fires.

MR. COWAN: Yes, thank you, Mr. Speaker. I would like to direct a question to the Minister of Labour. In light of some alarming references to a lead poisoning problem in Manitoba by a nationally recognized expert in the workplace, health and safety field, is the Minister prepared to have her department initiate a thorough investigation into the lead poisoning situation in Manitoba immediately?

MR. SPEAKER: The Honourable Minister of Labour.

HON. NORMA L. PRICE (Assiniboia): Mr. Speaker, there has been an ongoing, thorough investigation by Dr. Krywulak. It has been going on right along. And while I am on my feet, I would like to answer a question for the Member for Brandon East. He was inquiring about what we were going to do with regard to the anhydrous ammonia plant in Brandon, and if there are any new regulations such as they have in Saskatchewan taking place. I would like to advise him that the accident in question didn't result because there wasn't adequate regulations; it was a result of human failure. Both our Fire Commissioner's Office and the federal safety people investigated the accident, which took place on July 8th. On August 3, 1977, one of our Assistant Fire Commissioners met with the safety supervisor, who has been the full time safety supervisor since May 1st, and he said that he has endeavoured since that date to have the following regulations enacted:

To make all employees aware of the hazards of the product being transported; that is, propane, gasoline, and anhydrous ammonia;

To have all employees aware that, where possible, no employee is to work alone on a hazardous problem;

To have all employees complete a checklist of safety equipment carried aboard a transport vehicle;

To have all driver employees attend safety seminar schools sponsored by Simplot Industries, Brandon, re anhydrous ammonia;

To have all drivers sign up for and receive a regulation booklet entitled, "Safety Rules and Safe Practices for Loading, Transporting and Unloading Petroleum and Fertilizer Products."

There's really no shortage, Mr. Speaker, of regulations concerning the handling of this product; however, we are going to be looking at some consolidation of regulations to be considered for a possible Manitoba regulation and at the same time we'll be checking Saskatchewan's regulations. As I indicated previously, we are reviewing much of our legislation and this includes the regulations respecting safety.

I would like to point out that the accident did happen during the Member for Brandon's tenure in the previous government and all this information was available to him at that time.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: I thank the Honourable Minister for that information. It's obvious that she now realizes that there is a problem and something should be done, and presumably she is moving in that direction. It's unfortunate she makes reference to the date of it because the fact is, we recognized that industrial safety was a problem and we therefore enacted the legislation.

I'd like to direct a question to the Honourable Minister as a follow-up to a question asked by my colleague, the Member for Churchill, with regard to the question of lead poisoning, where the statistics of her own department indicate that between 50 and 60 Manitobans tested last year, in one industry, exceeded the poison threshold standards of lead in their blood, which is apparently double the average experienced in Britain in that same year. Considering this very serious situation, would the Honourable Minister undertake now to deal with this situation in a positive manner by making changes in the department's health and safety programs, as it applies to such industries, subject to lead poisoning?

MRS. PRICE: Mr. Speaker, those statistics were given out by the former Director of the Workplace Safety and they are disputed by Dr. Krywulak, who is a qualified doctor in occupational medicine.

MR. EVANS: Well, Mr. Speaker, it's regrettable that the Honourable Minister is engaging in personal attacks on a former civil servant, the former director on Health and Safety Division, Mr. Rabinovitch,

and rather not look at the statistics that were published by her own department. My question is, would the Honourable Minister look at the facts and the statistics made available by her own staff and also commented on by Dr. Snell, indicating that this is a serious situation, if she would look into these facts and satisfy herself that we have a relatively bad situation here and would she therefore ask her deputy and senior staff to show some leadership and actively attempt to rectify this problem?

MR. SPEAKER: Order please. May I suggest to the honourable member that if he asked one question at a time we may get along a little faster.

The Honourable Minister of Labour.

MRS. PRICE: Mr. Speaker, as I mentioned, I'll reiterate, those are the statistics that were given by a former director of the department and they are not shared by the rest of the department.

MR. EVANS: Mr. Speaker, if the Honourable Minister disputes those statistics, then perhaps she could undertake to provide the Assembly of Manitoba, the Legislative Assembly, with the correct facts because my understanding is that these are the official statistics published by her department. If she would undertake that, perhaps it would clarify the situation.

On a related question, because there is some difficulty in her own staff obtaining information from the workers because of the relationship with the company doctors involved, would she undertake to obtain the co-operation of the company to enable her own officials to carry out their responsibilities by enabling them to contact the workers directly to find out the hazards and the difficulties encountered with lead poisoning rather than depending on the company's reports?

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS: Thank you, Mr. Speaker, my question is to the Minister of Labour dealing also with the lead poisoning level here in the Province of Manitoba. Is the Minister completely satisfied that there is no problem with regard to lead level poisonings in the Province of Manitoba as to the amount of workers that are involved?

MR. SPEAKER: The Honourable Minister of Labour.

MRS. PRICE: Mr. Speaker, I certainly am not completely satisfied but I would like to make it very clear that there is research being done in it at all times in our department.

MR. JENKINS: A follow-up question, Mr. Speaker. Yesterday when I asked the Minister about this problem and about the last meeting of the Workplace Safety and Health Committee, she assured me that they were meeting in her office yesterday afternoon. Did they meet with the Minister and did they discuss this problem?

MRS. PRICE: Members came in to meet me but it was not discussed and it was only because they didn't bring it up. But you asked me if the Safety Committee were meeting and I said, yes.

MR. JENKINS: Do I understand then that the Minister misinformed me yesterday because the question I asked her yesterday was, the Workplace Safety and Health Committee, when was it going to meet and she assured me and the members of this Chamber that they were meeting in her office yesterday afternoon. It's too bad that we don't have Hansard here.

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. BOYCE: Mr. Speaker, to the Attorney-General. Is it the Attorney-General's intention to invoke the Mental Health Act which allows for the compulsory treatment of those who are addicted? I should mention to the Minister that I asked the comparable question to the Minister of Health last night and he thought not but I was wondering if the Attorney-General was of the opinion that that section of the Mental Health Act which allows for compulsory treatment should be invoked.

MR. SPEAKER: The Honourable Minister of Labour.

MRS. PRICE: Mr. Speaker, I would like to check with Hansard and see what committee the member for Logan asked me about. I understood him to say the Mining Safety.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Speaker, my question is to the Minister of Tourism and it flows from a statement which I have before me made by the Minister with respect to Mr. Jarmoc. My question is not relating to Mr. Jarmoc but rather is relating to a statement in the report by the Minister which alleges that there is an inadequacy of campsites and cottage lots available in Manitoba. My question is, to ask the Minister, given that in the course of recent years there was both a regular or normal annual departmental development of campsites and cottage lots plus accelerated winter works financing or funding for cottage lot survey and site preparation, can the Minister then indicate whether it is his intention to proceed with a program of development of cottage lots and campsites at double the pace or in excess of the results of the past several years during which time several thousand campsites and cottage lots were in fact developed?

MR. SPEAKER: The Honourable Minister of Tourism.

MR. BANMAN: Mr. Speaker, I have been informed by my department that the number of lots, or the number of applications that come in whenever lots are put up within the near proximity of Winnipeg, the response as far as the number of people who are putting in a bid for those lots greatly exceeds the number of lots that are coming onstream.

MR. SCHREYER: If I may, Mr. Speaker, a supplementary, it is not to quarrel with the Minister, that may be the case but will the Minister indicate at least this much, will he check with departmental staff to ascertain whether or not it is a fact that indeed in the decade of the 1970s, that there has been accelerated development of cottage lots and campground sites by virtue of both winter works plus regular departmental budgeting? Grindstone Point and Nopiming, several examples are available.

MR. BANMAN: Mr. Speaker, the largest one of course mentioned by the member was Grindstone Point where there is a fairly large substantial number of cottage lots but as I mentioned, with regard to that particular statement, as far as the Whiteshell Park itself is concerned, and think that's basically what we were dealing with in that statement, we have not seen any development as far as cottage lots with the exception of, I think, a subdivision going through in West Hawk Lake, I think a private subdivision under the old Municipal Act. I think there were something like 40 cottage lots. Other than that, I don't think there has been any other activity in the Whiteshell.

MR. SPEAKER: Order please. We are over the time period on questions. A final supplementary.

MR. SCHREYER: Yes, thank you, Sir, and that is to ask the Minister if he will undertake to table here in this House, at this stage or at the time of consideration of his Estimates, a list of objectives, a scale of objectives with respect to cottage lot and campsite development for the province, including the Whiteshell of course, including Nopiming, Grindstone Point? In other words, the total province.

MR. BANMAN: Yes, Mr. Speaker, I think the best time to do that would be during the review of the Estimates and I will try and have that information ready.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

HON. WARNER H. JORGENSEN (Morris): Mr. Speaker, will you call Bills No. 26, 27 and 28 for second reading. Then will you call Bill No. 24 and ask the Minister of Consumer and Corporate Affairs to close debate on second reading of that particular bill following which you take them in the order in which they appear on the Order Paper, 11, 14, 20, 25, etc.

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

MR. WALDING: Yes, Mr. Speaker, I would like to announce a change in the membership of the Public Utilities Committee and substitute the name of the Honourable Member for St. Vital for that of the Honourable Member for Burrows.

BILL NO. 26 — THE STATUTE LAW AMENDMENT (TAXATION) ACT (1978)

MR. CRAIK presented Bill No. 26, The Statute Law Amendment (Taxation) Act (1978), for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Finance.\$

MR. CRAIK: Mr. Speaker, Bill No. 26 is a bill that covers a number of the tax changes that have been announced by the government this year, and it includes the changes that affect individuals and businesses and so on; it affects the tax rate, the sales tax changes, the motor fuel tax changes, gasoline tax changes and so on. Perhaps the most important feature of the bill is the provision for the reduction of the sales tax since it involves by far the largest amount of money. This reduction remains in effect from Budget Night as indicated at that time, until September 30, 1978, of course with the exception of alcoholic beverages.

Reduction will leave an estimated \$61.5 million including the two-thirds of that amount being covered by the Federal Government in the hands of the Manitoba consumers and businesses. It represents a very important stimulus to retail sales and to economic activity in Manitoba.

I've indicated, Mr. Speaker, already in the House that there some very positive effects already noticeable from this particular change in taxation. It covers, of course, many of those important household items that affect people from all walks of life and, Mr. Speaker, as we've said before, we feel it is one of the more equitable means by which to place money back in the hands of the average consumer as opposed to some of the other means that have been considered and looked at, and, in fact, endorsed and taken on by other governments, at a period when it was felt nationally, that some stimulus to the economy was a necessary and important feature to undertake at this time in trying to overcome a sluggish economy — and as I said, Mr. Speaker, appears to be having its effect, although nobody has suggested that it would be a long-term solution, it would at least be a part of the solution even if for a temporary period.

Mr. Speaker, the bill contains a nuer of measures designed to facilitate energy conservation. It broadens the limited insulation materials exemption provided by the previous government which was restricted to domestic applications only and it includes all insulation whether it's for residential, commercial or for whatever purposes. In other words, the intent of the move is to provide for energy conservation and not to look at it on the basis of the social implications of the change vis-a-vis domestic versus commercial versus whatever any other application that may be encountered. The insulation materials exemption is also extended under this provision to include things such as triple-glazed windows and the broadening of the exemption also means the elimination of nuisance record-keeping by insulation suppliers which was required under former restrictive exemption. It also contains the provisions to exempt hot water and steam heat, and I know the Member for Seven Oaks will support me on that particular move, at least I assume he will. It's an attempt to again, provide for some sort of incentive for energy conservation because if taxed before, sometimes twice in the primary sense for the oil or the coal, and secondly on the steam and the hot water produced, but more importantly, it acted as some sort of a disincentive for recycling of used materials which may have been burned and consumed for the production of steam and hot water. So, to this extent it helps encourage recycling of old materials whatever they may be without having the end product taxed. It will mean a lost revenue, I think somewhere in the order of \$600,000 thousand a year, but in addition to that it was a very difficult tax to collect. The amount that was collected only represented a fraction of what it could potentially have brought in had the tax been applicable in an easier manner.

Bill 26 also provides the necessary authority to proceed with the corporation capital tax exemption announced in the budget. The increase in the exemption is from \$100,000 of taxable capital to \$500,000 of taxable capital. It eliminates to a very large extent what was regarded as a nuisance tax. It was a nuisance tax, Mr. Speaker, because although there were 30,000 people roughly, not people but firms, that were theoretically eligible to be examined for the taxation, there were only something in the order of 5,000 who actually were eligible to pay the tax, but it meant that the remaining 25,000 were either finding out through the advice of accounts and other means, lawyers, that they had to go through the calculation to find out they were not liable for the tax, went through that cost, then to find out that they didn't have a tax liability and since 25,000 out of 30,000 did not have a tax liability, there was a diminishing returns effect from the tax. So it was found upon

close examination that most of the problem could be withdrawn in terms of the implications for the numbers of small companies affected by raising the limits to 500,000. Now we find that there are 1,500 corporations who will be eligible to pay the tax, but the remainder will be exempt and in addition to that, the reduction in revenue to the province is only \$1.8 million and there will still be a \$12 million, roughly, return from the tax even though the numbers have been reduced now down to only 1,500 who are affected. So, Mr. Speaker, small companies which represented about 70 percent of all taxable returns filed under the Act now, will be essentially eliminated from the owner's problem of, first of all discovering whether they're liable and secondly, then calculating what their liability is.

Now together with the small business income tax cut, combined with this exemption it gives a substantial stimulus to the small business sector of Manitoba which of course is extremely important in the total makeup of the corporate structure nature of Manitoba, being as we are a province that relies very heavily for employment and for industrial development on small business, making up some 80 percent of our total business activity, or corporate activity in Manitoba.

The bill also proposes to remedy an inequity under the current Sales Tax Act regarding the treatment of mobile homes and modular homes. Previously to this unlike homes built on site which were subject to sales tax on materials only but not on labour, mobile homes and pre-built homes were subject to the sales tax on the labour as well as the materials which was a very distinct inequity and to some extent, a detriment to this type of housing becoming a more economic form of housing.

So, Mr. Speaker, what this does on the mobile homes, it reduces the sales tax to be applied to only one half of the selling price, 50 percent of the selling price, and that does not include the furnishings or appliances and on 55 percent of the modular or ready-to-move pre-built type home. Now these differences, Mr. Speaker, come about as a result of a very extensive study that was carried out in Ontario, and where the tax changes were undertaken some time ago, but had not been undertaken here. We believe that those statistics are accurate, but that's the explanation for the two different rates of exemption, 50 percent on the mobile homes and 55 percent on the modular or pre-built type of home. The cost of this reduction is roughly \$1 million to the Treasury of the province.

The bill also contains a number of changes to gasoline and motor fuel taxation. The overall tax rates of 18 cents per gallon on gasoline and 21 cents on diesel fuel that have existed over several years, will remain unchanged; but it does transfer 2 cents per gallon of gasoline tax, which will be retained in central revenue and not forwarded on to the Manitoba Public Insurance Corporation.

In addition to this change the bill provides for a number of specific improvements in the application of gasoline and motor fuel taxes. The current exemption, available to farm trucks with two axles or less, will be extended to include all farm trucks. It is anticipated that this measure will provide additional benefits to farmers, not only in terms of the tax reduction it provides, but also in permitting farmers to use the most economic transportation equipment available without having to give undue nuisance consideration to the tax consequences of the type of transportation equipment utilized. It also, Mr. Speaker, puts more incentive in place to use diesel fuel as opposed to gasoline.

Municipalities will also be allowed to use tax exempt marked diesel fuel in off-highway equipment. The complicated rebate system that was used before was again a diminishing returns type of operation. There's no net change expected in the revenues to the province, but it will facilitate much easier bookkeeping on the part of the municipalities.

Similar improvement will be made in the treatment of gasoline and motor fuel used in commercial chain saws and tree harvesting equipment. Currently full tax must be paid for gas used in chain saws and only a partial refund is permitted for diesel fuel used in tree harvesting equipment. Under the provisions of this bill, the use of tax-exempt purple fuel will be permitted in such equipment.

The final amendment to the Gasoline and Motor Fuel Tax Act involves the extension of refund procedures similar to those applicable to railways. Now, they will be available also for interprovincial truckers and it will compensate them for excess fuel purchases in Manitoba, provided tax has been paid to another province. Now, this has been worked out with the other provinces and appears to be, Mr. Speaker, already having been done on a trial basis, appears to be a very workable arrangement. As I mentioned, it's been used also with the railways. It reduces again the nuisance problem of them having to buy part tanks of gasoline in Manitoba and then fill up across the border, and so on. This way, through the bookkeeping procedures with interprovincial truckers, there is no problem in keeping track of the consumption and it's prorated to the amount consumed in the different provinces.

The bill also contains the legislative authority for one tax increase announced in the budget, the tobacco tax increase. This is anticipated to yield in the order of \$4.8 million in additional revenue, in a full year. The increase in tax amounts to one-fifth of one cent per cigarette and brings the Manitoba tax to one cent per cigarette, with equivalent increases for other tobacco products.

Finally, Mr. Speaker, the item with regard to the pari mutuel tax I announced in the House not too long ago, and the bill contains the reduction in the pari mutuel tax rate, from 10 to 7.5. The 7.5 rate is one-half of one percent higher than the rate provided by Order in Council during the last two years. The tax adjustment does not affect the total takeout at Assiniboia Downs which will remain at last year's level. The adjustment simply offsets a reduction in the track take-out at Assiniboia Downs, of one-half of one percent required under federal regulations.

It's in line with the request from the Horsemen's Benevolent and Protective Association and the revenues raised by the additional half of one percent will be returned as purse supplements to improve the overall quality with regard to that industry in Manitoba.

Finally, in summary, the bill provides major stimulation for the Manitoba economy with regard to the sales tax changes. It provides for the elimination of some largely nuisance elements of existing taxes. It provides further stimulation for small businesses with the elimination of the capital tax for companies with under \$500,000 in taxable capital. It provides additional impetus to energy conservation in Manitoba.

It reduces the taxes applicable to mobile and modular homes. It terminates the gasoline and motor fuel tax transfer to Autopac, so that the costs of the public insurance are then completely on the premium basis. It improves the application of gasoline and motor fuel taxation for farmers, municipalities, forestry operations and interprovincial truckers; and it increases the tobacco tax in line with increases announced in many other provinces.

Mr. Speaker, those are the essential elements of the bill. I can provide further information as we go along. I would indicate, perhaps if it's of any help to the members of the Legislature, that the applicable dates involved here are — which may be of some value — April 1, 1978 was the cancellation of the 2-cent transfer to Autopac on the gasoline tax.

Secondly, the new refund procedures for interprovincial truckers was April 1. These are all April 1.

The repealing of tax on hot water and steam.

The increase in corporation tax exemption from \$100,000 to \$500,000; And the proration of tax for fiscal years, less than 364 days under the Corporation Capital Tax Act. That's another provision that's in the Act for companies that have a year-end that is changed or the business goes out of business; or a new business comes in; then there is a proration effect that can adjust the year to their fiscal year-end.

On April 11, the effective tax dates are for the following:

1. The provision to allow the use of tax-free purple gas and motor fuels in forestry operations.
2. The provision to eliminate the axle restriction, re purple diesel fuel in farm trucks.
3. The provision to allow the use of tax-free purple motor fuel by municipalities.
4. The reduction in tax from 5 to 2 percent for the period under the Revenue Act, The Sales Tax Act.
5. The extension of the insulation exemptions under The Retail Sales Tax Act.
6. Partial refunds of tax re mobile, ready to move modular homes.

May 1, was the increase in cigarette, cigar and tobacco tax rates.

May 15, was the increase in pari mutuel tax from 7 to 7 ½ and on Royal Assent to be the Ministerial discretionary power to have records available for inspection in Manitoba under The Retail Sales Tax Act and, to, the extension of the refund period under the Motive Fuel Tax Act, which is another measure I didn't mention which is reasonably minor. It extends the period for application of refund under the Motive Fuel Tax Act from 6 months to 2 years to reduce some of the headaches that the Member for Seven Oaks will be familiar with. —(Interjection)— On the sales tax? The revenue tax started April 11th — reduction from five to two. We started April 11th and it ends September 30th, Mr. Speaker.

Mr. Speaker, with those I trust this bill will recommend itself to the House.

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. SAUL MILLER: Mr. Speaker, I wonder if the Minister would respond to a question. I can't refer to a clause in the bill itself, but was there not a change in the levy on beer — on the purchase of beer? Liquor is remaining the same but was there not a change in beer?

MR. CRAIK: No, Mr. Speaker.

MR. MILLER: Mr. Speaker, I'd like to respond to the Minister. As he has indicated, all of this has been known to us for some time. It was indicated in the Budget Address itself and so what we are faced with here is really the Act which will bring those into effect.

The Minister mentioned that I would know and be aware of the change with regard to hot water and steam and he is referring to the fact that I brought this forward to my Cabinet and had received their approval to eliminate this one.

The Minister might recall the genesis of this particular legislation or the levy. It was brought in many, many years ago when the Central Steam Heating was still in existence in Winnipeg and at that time it was to be treated like any other heat, and they would have to pay the sales tax.

Subsequently, that went out of business and what we were then faced with was very little revenue. I think the Minister mentioned potentially \$600,000 but in fact it was far less than that because it wasn't enforced and if it was read carefully and very legalistically one could even expand it to include every apartment block that used steam or hot water and it was simply never enforced. And it was considered a deterrent, really, to the old concept of recycling heat generated as a by-product of something else. And so the Minister is simply doing what we had intended to do and I fully concur with that particular aspect of it.

The others we know — the sales tax reduction. And he indicates that already there is a positive effect of stimulating the economy, which leads me to ask the question that if it is so positive and so stimulative will the Minister, and is this government considering extending the period beyond September 30th? Because if there is such a boom in sales, then maybe that massive volume of sales at two percent will generate the same income as was generated by five percent on a smaller volume. I'm wondering whether the Minister, in responding, could indicate that that would be his intention. I'm sure it would be very popular. The fear is that once September 30th comes sales will slump completely and perhaps if indeed sales are up then maybe by extending it there may be an advantage and the government could still get its revenues and, as he says, people would be getting more for their money, or would have more money to spend.

Now with regard to the insulation, it's the next step forward. We introduced the legislation regarding insulation on residences but this is now being expanded to include all structures. And if the government wants to give up this particular revenue, then so be it, but they are giving up revenue and we didn't go that far because the fact is the cost of insulation in a commercial enterprise is something that can be charged off as a business expense and charged off against the income tax payable by that business. And so we felt, really, that we weren't prepared, at that time, to forego the kind of revenue that was coming in because if we had to give up the revenue we knew that we might have to give up some programs. But, of course, this government is not concerned with that, as we know now from the impact of their reductions. They have given up a lot of revenue and, as a result, they find that they have no alternative but to cut into programs. In every department we have been involved in, this has now come up. Because of the decrease in funding for hospitals or the lack of support to the city, they have had to take steps to replenish their revenues and they had to resort to user fees in the City of Winnipeg.

As I say, this is the difference between the two governments but this is the way they are going and this is their mandate as they see it and, of course, they are going to continue on that basis.

I was interested with regard to the corporation capital tax. They have increased the exemption level, and they are right that the bulk of the money comes in from 1,500 corporations. Nonetheless, they are giving up, again, \$1.8 million worth of revenue. And it's interesting that in Ontario there is no exemption at all — every corporation pays. Not only do they pay in Ontario, every level of corporation, whether it be \$100,000 or \$300,000 or \$1 million, in Ontario their corporation capital tax is 50 percent higher than Manitoba's and yet this government is again hurriedly giving up revenue — I think it's \$1.8 million is what the Minister estimated — which he says is such a small amount.

Well, you know, it's just a small amount and yet during the studies of Estimates that we have gone through the Ministers have gotten up . . . The Minister of Health and Social Development said, "Well, sorry, we had to cut this down by \$50,000 because \$50,000 is a lot of money." And he says, "A dollar here and a dollar there and it all adds up." That's what savings is all about. But with one fell swoop they give up \$1.8 million revenue and they shrug it off saying, "Well, that's really not a very big amount."

Their colleagues in Ontario certainly don't feel that, because there is no exemption in Ontario

and it's 50 percent higher than here. —(Interjection)— Well, my colleague says they have respect for money.

I notice, too, that they have eliminated some of the tax with regard to commercial chain saws and the former requirements for refund on diesel fuels on certain kinds of commercial chain saw operations and I'm just wondering how they are going to police this. Formerly, the party had to make out an affidavit for refund and identify and swear that in fact this is how the fuel was used.

Now that they can use I think it's probably purple gas and are not required to pay any tax at all on the diesel, then how is the Minister and how is the department going to know whether in fact they use it for the limited purposes indicated in the bill or they use it for any purpose whatsoever — for pleasure, for not just the milling or the cutting down of trees but they use it to build something with. I just don't know how they're going to do it and perhaps the Minister could tell me unless he intends to create perhaps a policing, you know, a group of people who are going to be policing it by going up to northern Manitoba, by examining, by making spot-checks which is a very costly way of doing it and it would simply add to government administrative costs if they were to undertake that kind of policing. So again, I'm curious how the Minister views the control on this particular operation.

With regard to the two cents gasoline tax, you know, a lot has been said on that already and I'm not going to rehash it. The Conservatives seem to feel that it is necessary for MPIC, Autopac, to receive all its funds from premiums as if there is something sacred about that approach. I think our approach made sense. Our approach was that some of the premiums being paid to MPIC should be paid to reflect the mileage, the exposure of a vehicle on the highway and, therefore, the two cents was paid to Autopac and, as a result, the benefit was simply a revenue of \$7 million to \$8 million to Autopac which meant that the premiums that Manitobans would pay would be less. Keeping in mind, of course, that some of this revenue to Autopac is gained from people who are driving through the province, tourists, etc., who come here and are buying gasoline and would, of course, be contributing two cents per gallon to automobile insurance.

Of course, this government is in an awkward position. (a) It doesn't want MPIC to look too good, (b) they gave up revenues in various ways last fall and now here and they have to get it back so they are now taxing the people with two cents on gasoline tax. Now they can say it's not a taxation; they can say, "Well, really it's the same two cents." The difference is that the two cents now is going to the provincial treasury and the \$7 million or \$8 million which Autopac got before, they'll now be short and the result will have to be either less benefits or, more likely, an increase in premiums. True, that will take place down the line but inevitably the corporation, MPIC, will have to make up that loss in revenue. They have no alternative. Since that revenue is no longer available to them, the likelihood is that there will be an increase in premiums. I suspect that this government would be pleased to see Autopac have to increase its premiums. I don't think they're very happy with the fact that automobile insurance premiums in Manitoba are as low as they are and that the benefits are as good as they are. It irks them and I think it bothers them.

Mr. Speaker, I asked the Minister a question with regard to beer and when he closes debate or perhaps even before that, he might indicate to me, there's a change in the wording in one of the sections here headed "Tax on Liquor." Reference is made to 10 percent on liquor and 5 percent on beer. The previous Act made no reference to the 5 percent on beer at all in that section and that's why I ask the question whether there was any change in the tax on beer. So would he explain why the need for this particular rewording because it's really a repeal of a previous section and substitution of a brand new section. If he won't listen, Mr. Speaker, I'll give him the number, 22. So perhaps he could advise me on that.

With regard to the other items, Mr. Speaker, this government has decided to take certain steps to alter some taxes, to make some changes and, as I say, this is, of course, their right. The major change in the entire bill is, of course, the reduction of sales tax from 5 percent to 2 percent and that, as we all know, is really not a provincial thrust, it's a federal thrust. We know how they reacted to it; they sort of felt dragged into it and they reluctantly went into it. Watching the whole development of this thing across the country, it strikes me that had Manitoba been a little tougher, had they hung-tight, had they perhaps consulted with their western colleagues, maybe they could have gotten a better deal than they got because it's apparent that the Federal Government, despite what the Minister said, they were not inclined to vary what they did; then under the pressure, they obviously are varying it as witnessed in Quebec and I suspect that if Manitoba would have hung-tight, we might have gotten the kind of deals that perhaps the Atlantic provinces got where the Federal Government picked up the entire cost, the entire provincial shortfall in revenue rather than just

I regret that the Minister felt that he couldn't face up to the Federal Government and had to yield in this regard.

I just caution him for the future that when the Federal Government makes these final announcements, it's amazing how non-final they are if you really stand up to them and simply say, "We are not prepared to accept it." Because they wanted this program nationally and to the extent that Quebec didn't go, if Manitoba didn't go, it's amazing how they'd back down. So I give that as gratuitous advice to the Minister.

Mr. Speaker, with those few comments, I have nothing further to add to this Statute Law Amendment Bill, this catch-all bill, which covers basically everything that has been already indicated by the Minister.

MR. DEPUTY SPEAKER: The Honourable Member for St. Johns.

MR. SAUL CHERNIACK: Mr. Speaker, I move, seconded by the Honourable Member for Seven Oaks, that the debate be adjourned.

MOTION presented and carried.

BILL NO. 27 — AN ACT TO AMEND THE CLEAN ENVIRONMENT ACT

HON. BRIAN RANSOM (Souris-Killarney) presented Bill No. 27, An Act to amend The Clean Environment Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Mines.

MR. RANSOM: Mr. Speaker, the proposed amendments are to accomplish three objectives. First, to allow the Crown to recover costs incurred in controlling contamination of the environment, and in cleaning up contamination during an emergency situation, such action being authorized under existing Section 14, Subsection (13) of the Act. The Court of Queen's Bench has ruled that the existing provisions for recovery of costs are invalid, thus necessitating amendment. Specifically, the Clean Environment Commission does not have the power to assess costs.

Secondly, the proposed amendments allow the Minister to stop an operation for a period of up to 21 days when that operation is contaminating the environment in contravention or violation of the Act, or any regulations or order under the Act, in such a manner as to cause serious loss or injury to any person, or to property, or would cause serious or lasting damage to the environment.

Without these amendments, an operation causing such contamination can only be stopped after going through the process of court action, which can be very time-consuming, and during which time the offending contamination can continue. The proposed amendments provide protection for a person or industry affected by ministerial order, in that they may appeal the order to a judge of the Court of Queen's Bench. There is also provision for the Minister, or any person affected by the contamination, to apply to the Court of Queen's Bench for an injunction to stop the contaminating operation.

Thirdly, the proposed amendments are intended to resolve possible conflicts between regulations under this Act and Clean Environment Commission orders. For example, where a Clean Environment Commission order dealing with a disposal ground provided limits for control of odour and runoff, and the regulations now provide direction for the control of runoff but not odour, the regulation has precedence over the order, but the part of the order not covered by the regulation remains in effect.

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

MR. CHERNIACK: Mr. Speaker, I'd like clarification on it and I'd like to ask a question of the Honourable Minister. Dealing with the costs incurred in investigation, to what extent would there be a hearing to which the person required to make the payment will be heard and will have an opportunity to question the extent of the costs and whether or not indeed they were properly incurred by the government.

MR. SPEAKER: The Honourable Minister of Mines.

MR. RANSOM: Mr. Speaker, I can perhaps answer that in detail later if this answer is unsatisfactory, but my understanding is that a court will determine what reasonable costs are. It was previously determined that the Clean Environment Commission could not assess those costs.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I believe that the Member for St. Johns has asked a question that will have to probably be canvassed a bit at Committee, because under the previous legislation which the Minister referred to, when the Clean Environment Commission could set those costs, the position was that the Clean Environment Commission could set the costs and there would be a debt due to the province which was always our understanding, could only be enforced through the court processes. But in those court processes, it was intended that the Clean Environment Commission's findings with what constituted the debt, would be recoverable. I would think that the way the legislation is written now, the Court of Queen's Bench probably could look into what the government has done to see whether those costs were reasonable, and I don't know at the moment that I would have any argument with that. It seems to me that the government would have to establish that what they did in order to deal with the problem that was caused by the plant that was causing the pollution, was reasonable, and I don't think that the government would want to recover anything other than what was reasonable.

I do, Mr. Speaker, indicate that I believe that most of the matters that are being dealt with under the Clean Environment Act as presented by the Minister, were matters which arose during the previous administration, and are matters which my recollection is that I concurred with and asked to be brought forward. So that in principle I don't see that there are any problems associated with this bill. There may indeed be some matters that have to be looked at when we get to the Committee stage to see whether all the rights of all the parties are properly protected, particularly with regard to a shutdown that is made by the Minister. I believe that he needs this power, and as a matter of fact, I was always under the impression that we had the power and reference has brought back to my mind a particular case where there was a motel, and I would want the Minister at Committee to indicate to me whether in fact that was one of the cases — that there was a motel across the road from a plant that was in clear violation of a Clean Environment Commission order, and all that was happening was that prosecutions were taking place but in the meantime, the guests at the motel were faced with intolerable conditions. And where the pollution is blatant and overt, there should be some means of abating it, rather than allowing it to continue during the prosecution, and I would imagine that that is what this bill is intended to do.

Mr. Speaker, with regard to the portion of the bill which deals with a regulation made by the Clean Environment Commission, superseding a Clean Environment Commission order, I have no objection to that. I believe it is always the case, in my opinion, the legal officers who say that it is not the case are incorrect; but nevertheless, there is no point in arguing with them. If this will clear up the problem, it clears up the problem, but it has always been my understanding that a statute overrules a previous court decision, and a regulation would overrule a previous Clean Environment Committee decision, in my opinion. And nevertheless, if that has to be set out in the statute, I don't have any objection to the concept, so I don't fault the Minister for it.

There is one aspect of this bill, Mr. Speaker, that I am not certain of. I am not certain that the bill will permit the Crown to recover the amount of damages which it suffered in that case where the courts held that the Clean Environment Commission could not make a finding as to debt. Mr. Speaker, I strongly urge that this is a case where legislation would be appropriate to deal with that particular case. The legislation that was on the books was legislation which we believed would cover the situation. As it happens with many other legal interpretations, there are differences of opinion.

The Court of Queen's Bench made a ruling; we had a choice of appealing that ruling or deciding to rectify the matter through legislation. If there was no intention of making that legislation apply to that particular case, then the ruling should have been appealed, and it's my strong submission, Mr. Speaker, that the company that caused that problem in Brandon, not be permitted to escape liability by virtue of the court's decision with respect to the forum in which the issue would be decided. There is absolutely no prejudice on the company whatsoever, and they have ruled out the forum of the Clean Environment Commission, the Minister has introduced the forum of the court, but the Minister should not permit that particular problem to be in a position where the Crown cannot recover its costs. If indeed, as we allege, as the public allege, that this was the case where the pollution was caused by a failure on the part of that company, and Mr. Speaker, it was a significant problem;

it affected, as I recall it, private tenants living in an apartment building in Brandon — and if I'm wrong, I would immediately want the Minister to indicate that I'm wrong, so I would not be left with an unfounded allegation — but that was my recollection. It deals with a major petroleum products distributor in this province. The Crown came to the rescue and had to deal with the question; the oil company didn't deal with the pollution that was caused in the suites concerned; it didn't correct the situation which had arisen, and the public suffered damages by reason of that failure.

It's my submission, Mr. Speaker, that this statute which doesn't create retroactivity in such a way as to prejudice anybody, merely creates retroactivity so that the oil company can have the forum which it says is the appropriate one; namely, a court rather than the Clean Environment Commission. That if they want a court, by all means let them have a court, but don't let the legislation proceed on the basis that it will not apply to that particular circumstances which I am concerned with, Mr. Speaker. Because the commencement of the Act refers to May 15, 1978; the incident that we are talking about occurred several years back, and I certainly suggest, Mr. Speaker — and it's not only this incident; there are other incidents which the Crown is in the process of cleaning up where pollution has been caused by a private company — that this legislation should not be as of May 15, 1978; it should be able to cover any of the actions or misfeasances or omissions of companies which were sought to be cleaned up.

Now, one could argue, well, you had the wrong legislation, Mr. Speaker. First of all, I don't concede that. The fact is that there is a Court of Queen's Bench decision that decided that, which could have been appealed and could have gone to the Supreme Court. But one should not be involved in endless legal appeals, or long legal appeals, when one can correct the situation, and if the only problem was the forum, if they were seeking a judge rather than the Clean Environment Commission, then what should be done is given their wish; they should have the judge, but they should not escape liability.

So I say, Mr. Speaker, that as far as what the bill wishes to do, yes. If this bill does not go so far as to deal with the problem which was created by this company, we will be asking the Minister to make it a bill which deals with the problem which resulted in an expenditure of money by the people of this province, which should be paid by the polluter.

QUESTION put, MOTION carried.

MR. SPEAKER: The Minister of Labour.

BILL NO. 28 — AN ACT TO AMEND THE PAYMENT OF WAGES ACT

MRS. PRICE presented Bill No. 28, An Act to Amend the Payment of Wages Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Labour.

MRS. PRICE: Mr. Speaker, I would now like to introduce Bill No. 28 for second reading, which proposes to amend The Payment of Wages Act. While the proposed changes are technical, they are very important for the effective administration of the Act. This Act was first enacted in 1970 to facilitate and improve procedures for the collection of unpaid wages. Primary responsibility for administering this legislation lies with the Employment Standards Division of the Department of Labour. The Division is authorized to do such things as receive complaints, make investigations, issue orders for the payment of unpaid wages, file orders in the county court for enforcement purposes, and act as a trustee of moneys for others. Over the last while, suggestions have been made that the Division lacked the legal capacity to issue orders and take other actions under the Act. It has been suggested that any authority to make adjudications and orders should be conferred on a clearly defined person or body, and that the Employment Standards Division was not such a clearly defined body established by law.

In a recent court case involving the Employment Standards Division, but which did not address itself directly to this question, the judge indicated that in his view, apart from a name, the Division lacked recognition, status, or structure in law. The judge went on to predict that it is to be expected that while the statute remains in the present form, difficulty and litigation beyond reason will arise. Very recently, the authority of the Division, or anyone acting in the name of the Division, was the subject of just such litigation. In a decision handed down last month, the judge ruled that the Division did not have clear status established through law. As such, the Division was nonentity, without

structure, or legal capacity, and neither it, nor anyone acting on behalf of the Division, had the authority to act under the legislation.

The amendments proposed in this bill are intended to remedy this deficiency in the legislation by conferring the authority to issue orders and do other things under the Act, on a clearly defined and identifiable person; more specifically, this authority will be conferred on the Director of the Employment Standards Division and officers or inspectors of the Division will be authorized to exercise the same authority as the Director. This proposed change is to be given effect by defining the word "Director" and further, by repealing the word "Division" where it appears in the Act, and replacing it with the word "Director."

It is also being proposed that subsection 7, Clause (1) be amended for purposes of clarification. In general, this subsection provides for the priority of wage claims over the claims of other creditors, including priority over every assignment, mortgage, debenture and security. The amendment makes it clear that the priority of wage claims extends over securities or debentures that were made, given, or accepted before as well as after this provision of the Act came into force. There had been some question as to whether the provision applied in respect of debentures, assignments, or other such securities that were made or given before this provision of the Act came into force. At present, any person affected by a decision or order of the Labour Board has 15 days in which to appeal the decision or order to a judge of the county court. This provision appears to be too restrictive, since an employee, employer or other affected person may have been unable to file an appeal within the time allowed, because of circumstances beyond his control. It is therefore being proposed that the 15 day appeal period provided for in subsection 16, Clause (1), be retained, but that the county court be given discretion to allow appeals after the 15 day appeal period has elapsed.

Subsection 16, Clause (3) of the Act now provides that a person loses his right of appeal if he failed or refused to appear before the Labour Board when the matter was being considered by the Board. However, the Board may, on application, grant such a person leave to appeal. The granting of leave to appeal is more properly a function of the court. It is therefore being proposed that a judge of the county court, rather than the Labour Board, be empowered to grant leave to appeal.

At present, subsection 16, Clause (4), requires the person filing an appeal to notify the Labour Board that he has filed an appeal. Since it is the Director of the Employment Standards Division who is more directly involved in the appeal process, and who is responsible for collecting and disbursing moneys, it is proposed that this provision be amended to require the appellant to notify the Director rather than the Labour Board of the appeal.

Subsection 16, Clause (5), generally requires an employer who is filing an appeal to pay into court at the time he files his appeal, the amount that the Labour Board has ordered him to pay in respect of unpaid wages. Under Subsection 15, Clause (2), the employer will also be required to pay to the Director the amount ordered to be paid by the Labour Board. Consequently, an employer who wishes to file an appeal may find himself in a position of having to pay money to both the Director and the court if he wishes to have his appeal heard. To avoid this possibility of a double payment, Subsection 16, Clause (5) is being amended so as to require the employer to pay moneys into court only, if he has not already paid that amount over to the Director.

The changes being proposed by this bill are technical but, as I indicated, they are very important for the effective and legal enforcement of the Act. I therefore recommend them for the approval of the House as soon as possible.

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Flin Flon, that debate be adjourned.

MOTION presented and carried.

BILL NO. 24 — AN ACT TO AMEND THE REAL ESTATE BROKERS ACT

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

MR. MCGILL: Thank you, Mr. Speaker. In very briefly commenting on this bill in closing the debate, I have two matters to deal with; one is a minor problem in connection with the remarks I made on presentation of the bill at second reading. The other matter, of course, would deal with the concerns expressed by the Member for St. Johns in respect to the appeal procedure that would be available under this bill, in respect to any orders or directions issued by the Securities Commission

under Bill 24.

Mr. Speaker, in presenting the bill at second reading, I indicated that there were some amendments that would be required to change the wording of the original bill and to substitute the word "commission" for "board", and in so doing, I inadvertently indicated that one of these areas had been overlooked and that an amendment would be necessary at the committee stage. Mr. Speaker, that was in error, no amendment will be necessary at the committee stage to cover that particular matter since it has indeed been dealt with by the bill before us.

The other matter, Mr. Speaker, relates to the remarks of the Member for St. Johns when he dealt with this bill at second reading. His major point was in connection with the right of appeal and his uncertainty as to whether or not this matter was adequately covered either in this bill or in some other legislation relating to the Securities Commission. There were several areas of the amending bill which related to this concern and in at least three areas of the bill before us there were new provisions which would empower the Securities Commission to issue directions or orders to which someone might object and which someone possibly would wish to challenge. I can tell the member, Mr. Speaker, that the right of appeal against all of these orders or directions of the commission is provided by Section 29 of The Securities Act, and in subsection 1 of that section of The Securities Act, it states that any person or company affected by a direction, decision, order or ruling of the commission, given or made under this Act or under any other Act of the Legislature, may appeal to a Judge of the Court of Queen's Bench. This provision is in The Securities Act because it establishes the commission and prescribes its composition and the procedure for the exercise of its powers. From its inception in 1968, the commission has had some functions to discharge under The Companies Act which is now, of course, The Corporations Act and, therefore, subsection 29(1) has always provided for appeals against orders under this Act or any other Act.

Prior to 1976, The Real Estate Brokers Act and The Mortgage Brokers and Mortgage Dealers Act, were administered by the Public Utilities Board and a right of appeal to the courts against its decisions was provided by The Public Utilities Board Act. When the administration of these Acts automatically became applicable to any orders or decisions made under them, there was no need to make any further provision. I should repeat that, Mr. Speaker. When the administration of these Acts was transferred to the commission, Section 29 of The Securities Act automatically became applicable to any orders or decisions made under them and there was no need to make any further provision.

I've been advised, Mr. Speaker, that there have already been two appeals to the Queen's Bench under Section 29 of The Securities Act against orders made by the commission under The Real Estate Brokers Act. They were both unsuccessful but no doubt as to the existence of the right of appeal was expressed by anyone involved.

I thank the Member for St. Johns for his contribution to this debate and commend this bill to the House.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSEN: Well, Mr. Speaker, Bill No. 14, I see the Member for Winnipeg Centre is in.

MR. SPEAKER: Bill No. 11?

MR. JORGENSEN: Well if there's someone that's prepared to go on Bill No. 11, I don't mind calling it.

**BILL NO. 11 — AN ACT TO AMEND
THE RETAIL BUSINESS HOLIDAY CLOSING ACT**

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. GREEN: Mr. Speaker, the Honourable Member for Lac du Bonnet has no objection to — (Interjection)— He still has no objection even if he's here.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, this is a rather interesting development that has taken place with regard

to this bill because when the bill was introduced by the Minister of Labour last year, I spoke on it and I wanted to make it quite clear that I was not interested in supporting a Lord's Day or Holy Day, or re religious bill, that I was voting for the bill, I don't know that I was overly enthusiastic, Mr. Speaker, but I don't wish to quibble, I don't wish to backtrack. I supported the bill on the basis that I regarded it as labour relations, that the Labour Minister was seeking to have a bill which tried to ensure that no person would be on call for his employer for more than six days a week, and six days a week is quite a bit more than is necessary in this day and age to be on call, but nevertheless the way the legislation was previously worded, it was possible for a retail establishment to be open seven days a week, which is not unusual for self-employed people who claim, and claim sometimes very justifiably, that they are on call 24 hours a day, every day of the week. Mr. Speaker, that is a feature of being self-employed where perhaps the employed person is smarter than the self-employed person to that extent, because I don't know that anybody should be chained to his particular place of employment.

I did, Mr. Speaker, indicate that I was not prepared to support a religious bill, that I was not prepared to really have a massive interference in the freedom of people to make purchases on particular days, but given the fact that it was presented as a Labour bill and did, Mr. Speaker, did allow for the fact that consumer tastes could be taken into account and that the possibility was that some retail establishments would be open on Saturday and other retail establishments would be open on Sunday, but no one working for either of the two would be expected to be called in seven days a week, or even, Mr. Speaker and let there be no mistake about it — be given the opportunity to work seven days a week. Because the Minister of Labour earlier in the session said that some of the employees want to work the overtime and we are trying to discourage it.

Mr. Speaker, that's true. If you did it on the basis of when the employee — and to put it more carefully — not "wanted to work" but "was willing to work" you could probably get children working in industrial establishments as occurred a hundred years ago. You could have all kinds of Draconian-type labour situations if you dealt with it on the basis of when a person was willing to work and in order to avoid these Draconian situations you had to have some type of regulated situation. And what the Minister last year did, was to present the bill which was designed to see to it that nobody would be on-call seven days a week and no employer would have that opportunity because retail establishments could only be open six days a week.

Well, Mr. Speaker, what has now happened is that we've got a Lord's Day Bill in this House, a religious bill in this House and, Mr. Speaker, the anomaly of having a religious bill in this House is that it's being made a little more sinful. If the religious bill is what the Minister was after by changing the alternatives in the bill from Saturday or Sunday to merely on Sunday and, therefore, identifying it as a Lord's Day Alliance Bill, Mr. Speaker — and I'm going to come to that in a moment with respect to the legal effects of it — then she says we're imposing it religiously but we're increasing by an unknown number, Mr. Speaker, because it's not going from three to four necessarily, we are talking about the number that work on that day as going from three to four, and, therefore, it doesn't matter how many employees are normally employed by the store. If he is open on Sunday with four employees he is permitted to be open and if, Mr. Speaker, certain imagination is used in chain stores with how many cash registers will be open and what security portions of the store are cordoned off and if the Minister thinks that I am dreaming of unusual things, I can tell the Minister that as a young child I remember going into stores on Sunday that had wire screens up to make sure that that part of the store was not used lest some police officer come in and put the person in jail for selling somebody a lightbulb on a Sunday, and that's what was done.

What the Minister has done now is to challenge the imagination of those retail stores that want to sin a little more than was previously possible on the Lord's Day. Because if we are dealing with Lord's Day legislation which is what the Minister is bringing in, then, Mr. Speaker, I don't know how she permits a little bit of sin. I don't know, just a little bit, just a little bit and, Mr. Speaker, I don't know how much sin she thinks will actually take place because I don't think she knows what you can do when you are dealing with four employees and what kind of square footage you are dealing with, and how much can be cordoned off. —(Interjection)— Mr. Speaker, I know better.

The fact is that the way the bill is now before us and I'm not now going to give you my legal opinion because the honourable members may not trust receiving legal advice from me, although I will give them some pretty good advice that that Jarmoc agreement is going to cost the public of this province money despite what the Attorney-General's Department says and despite what the Minister of Tourism said. I'm cheering for their side but I look at that agreement —(Interjection)— Mr. Chairman, I'm not representing him, but I'll tell you the lawyer who is representing him has got a good case, the lawyer who is representing him has got a good case. I'm saying that the members

may not trust my legal advice, but let them listen to the lawyers who came before committee last year when it wasn't Sunday, when it was clearly not a Lord's Day Bill, when it was a bill which permitted the retail store to open on a Sunday if it wished, or open on a Saturday if it wished. And we had Ken Regier standing before that committee not giving his opinion and advising us that this is what he thinks would happen, but telling us this bill is contrary to The Lord's Day Act and *ultra vires* of the Province of Manitoba. I said, Well, Mr. Regier you know, the kind of statement that you've just made and it's on the record, it's in Hansard. . ."

MR. SPEAKER: I'm interrupting proceedings at this time for Private Members' Hour. When this matter next comes up for debate the honourable member will have 32 minutes.

PRIVATE MEMBERS' HOUR

ORDER FOR RETURN — Transferred for Debate

MR. SPEAKER: Under Private Members' Hour, Orders for Return, the Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Speaker. In speaking on this matter of attempting to obtain information on the advertising agencies and public relations agencies, or companies retained by the government and all of its boards, agencies and commissions, I find it very strange that we should be debating this matter at this time because I would have thought that the government would have very quickly have acceded to our request because it is a rather normal type of request. I daresay this type of information has been asked for on many occasions in the past, and I see no reason why it would not have been forthcoming.

The reason given to us by the Minister of Finance — he was willing to accept the first part of the question, that is the listing of the companies, but he was unwilling to provide the second part where you would show the budgeted expenditures for these advertising and public relation companies for each department, commission, agency or board. The reasoning was that this would require a lot of work. Well, I daresay in most cases providing returns on requests to members of the House does require some work, but he also said that I could obtain it through the Estimates process.

Well, Mr. Speaker, it is very difficult for any member with the system that we have in place, where two committees are sitting simultaneously, to obtain this information through the normal Estimates process. Because not only do you have to be in two committees at once, but you also have to be recognized by the Chairman, and sometimes you may sit there for a half an hour, or an hour or so, before you can be recognized, because there are many other members ahead of you. There is a long lineup at times. It seems every time you want to say something, there is a very long lineup. —(Interjection)— The wrong section.

At any rate, it is almost impossible to obtain this in the method that the Minister of Finance suggests. So therefore you are really depriving a member of the Assembly from obtaining this information.

I believe the Minister without Portfolio, the Minister responsible for the Manitoba Housing and Renewal Corporation, was complaining. I not only believe, I know he was complaining — I heard him complain yesterday about being asked the same question more than once, two, three, times, I think he even said four times, because honourable members were walking in and out. One of the reasons for that repetition of questions, if that is the case, is because two committees are meeting simultaneously, and some members want to ask questions of one Minister of one department, and then they want to get to the other committee to ask questions of another Minister in another department or a Crown agency. Therefore this is the sort of thing that does happen.

It is very awkward, if not impossible, to obtain the information by this process, and I then ask myself — oh, yes, the other point is that we were already, I think, when I put the Order for Return before the House, I believe we were already at least onethird of the way, if not 40 percent of the way through the Estimates at that time. So I would have been deprived of obtaining the information from those departments that had already been processed through the committee.

So I ask myself, is the Minister or is the government trying to hide something? You know, what is the reluctance to provide this information. As I said I think there is a lot of precedence for providing this type of information, and I can only assume that the Minister must have something he is not too pleased about to present, or he is not pleased with having to present it. I can only assume that there is something that he is trying to hide or something that he would rather not make public, because I can come to no other conclusion. Otherwise, why make it so difficult.

It leads one to wonder aloud whether the Conservative Government is now going back to the previous practice, that was well established by the Roblin and Weir administrations, whereby one agency pretty well had 100 percent of the business. Certainly if it didn't have all of the business, it had the largest chunks, maybe 80, 90 percent of the business, if not 100 percent. Of course, I am referring to Foster Advertising, that had pretty well all the government advertising business, and was the public relations firm and advertising agency of the Conservative Party of Manitoba, and of course it is still in that position, it is still the Conservative Party's public relations arm. It handles advertising and PR for the Conservative Party and I suspect it is getting a fair chunk of business now from the government. Maybe again it is in the position of getting 80 or 90 percent of the business. —(Interjection)— Well, okay, who did we use? That is a very good question. I am glad the honourable member has asked that, even though he asks it from his seat.

The fact is, for honourable members who are new to government, I would advise them that we set up an advertising audit office, and in doing so we have saved the government, the taxpayers, a considerable amount of money —(Interjection)— Yes, that is true, we saved a considerable amount of commission money by putting out the advertising through the Advertising Audit Office. Well, ask your present Minister of Consumer Affairs to explain how it works, and whether he is saving any money from it, and I think the Minister of Consumer Affairs today will tell you that he is saving money by virtue of the Advertising Audit Office.

But not only did we save money, but we insured that many agencies were given the opportunity to work for the government of Manitoba, and indeed many many advertising agencies and public relations agencies were given the business. It was spread around unlike the situation during the administration of Duff Roblin or Walter Weir. I guess we may be going back to the 1960s and late '50s, when the Conservatives were in power, when the Foster people, Foster Advertising Agency, had the bulk of the business.

It is possible, of course, that there could be other names that come up on that list, because I see by one recent ad in the local newspaper that Foster Advertising Limited is really now a wholly owned subsidiary of Sherwood Communications, and Sherwood Communications, among other things, owns Continental Public Relations. So I wouldn't be surprised if the list included the subsidiaries of Sherwood Communications — Continental Public Relations, Delisle Productions Limited, Media Opportunities Limited, Promovision Communications Limited, St. Clair's Communications Research, and Balmoral Advertising Limited, and, of course, as well as Foster Advertising Limited. So it is possible that these names may appear as well.

At any rate, I simply say, Mr. Speaker, that it is regrettable that the government chooses not to make this information available to myself as a member and, of course, in making it to myself it is automatic, of course, that it is being made available not only to myself but to the members of this House, to the media, and therefore to the people of Manitoba. It is unfortunate that we have this secretive attitude and approach being taken by the Minister and by the government. I think it is time for us to have more of an open government. It is time to open the books. It is time to stop printing confidential and secret on just about every document and every report that exists in government. If the government has nothing to hide then it should change its mind and provide this information. We would have provided and indeed we had no hesitation in acceding to the requests of the Opposition of the day in similar types of requests. As a matter of fact, we would have been very proud to have provided the information on advertising agencies because it would have showed you how the moneys were spread around.

So, Mr. Speaker, I believe that it is regrettable that the taxpayers of Manitoba will not obtain this information. It is possible, of course, that maybe Foster Advertising isn't getting any work, that is a possibility of course, and the only way that the people of Manitoba can find out is, of course, to get the information from the government. If the government had given us this information we would have had it and we could have seen for ourselves whether the Conservative Party's public relations firm was recipient of all or most of the advertising and public relations dollars in this current fiscal year. At any rate, we don't know whether that is the case, we can guess that Foster is probably the recipient of a large amount of that money, but we don't know, and so a cloud is hanging over this question. There is a cloud of suspicion, I am afraid, and. . .

A MEMBER: There's a little bit of snow in it.

MR. EVANS: . . .there's a little bit of snow in it? And I am afraid it is not to the government's credit that it refuses to provide this information. So I would urge the government to change its mind and provide the information. I don't see why it should not be provided. Eventually it should be provided, a year or two from now when the Public Accounts come out. What we'd like to know

is, who is getting the business now, and what amounts of money are being allocated to those various firms? I don't accept the suggestion that it's a terrible amount of work, that it's a great deal of work. I don't think that it is that much effort really from my knowledge of government, I am sure the accounting division of each department could provide that information very quickly, or even the Deputy Minister, because usually that type of question the Deputy Minister is familiar with. So I suggest that it can be provided easily and I suggest at the same time that it's virtually impossible for any one MLA to attempt to get that information through the estimates process. So virtually we've been barred from obtaining that information and I think that's very regrettable, and I would hope, Mr. Speaker, that the government changes its mind in this matter.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Mr. Speaker, the Minister's last comments were very appropriate when he said he wanted to know who was getting the business. And I tell you, I know who's getting the business — it's us, on this Order for Return because it's couched in such language as to virtually prevent the government from providing the honourable member with the kind of information that he seeks. He asked for information as to the number of advertising firms, and the advertising firms that the government are going to be dealing with, up to the end of the year 1979. The year 1979 has not arrived, and it won't be until the books are closed that we know precisely how much money is paid out to each of the firms and which firms have received contracts. And what he is asking us to do is to provide information in advance, and he made some gratuitous remarks about how his government provided information so willingly to members of the opposition.

Well, Mr. Speaker, my honourable friend has a very short memory, indeed. And I'm not going to criticize honourable gentlemen opposite for not providing information to the opposition precisely the moment they ask for it. They should understand as well as I do, or as well as anybody else does in this place, that it takes a little time to compile that information. But we have had Orders for Return that are still not answered, and I compiled a record of the Orders for Return, and I don't have it with me but it's quite illuminating. On the five or eight years of my honourable friend's performance, as compared to the eight previous years, as to when Orders for Return were submitted and when they were returned —(Interjection)— No, it wasn't. My honourable friend said it was a lot of work; it was not a great deal of work for me, all you have to do is look at the journals and the journals will tell you what Orders for Return were asked for, which had been returned in that particular year, and which had not been returned in that particular year, and it just takes a little bit of arithmetic and perhaps a little bit of time and you can find those things out. And I'll tell my honourable friend, that the number of Orders for Return that were asked for and not returned, was about triple the number of the previous administration.

Now, that leads you to one of two conclusions. Either my honourable friends were very reluctant to provide information or the questions were a little more difficult to answer, and I'll give my honourable friend the benefit of the doubt. But for him to stand up in the Chamber and talk about this government denying information — denying information of what? Information that we don't have yet; information that we will not have until the books are closed for the fiscal year 1978-79. And he has the audacity to stand up in this Chamber and suggest that we're denying the House information. The Minister of Finance gave him the alternative and suggested that he withhold his Order for Return until such time as the information can be provided. He chose to raise it in debate, which is his privilege, hoping that he can get a little bit of ink out of it, I suppose, and hoping that he can create the impression that this government is attempting to deny information to my honourable friends opposite. That is not the case, Sir, and nobody is going to believe it.

When the books are closed for the year, when we know who the advertising firms are that have received contracts from this government and when we know the amounts that they were paid, we will be able to provide that information to my honourable friend, and not before that.

And I would suggest that the Member for Brandon East knows that, and knew that full well, when he introduced that Order for Return. He seemed to be all too eager to transfer it for debate, even before the explanation came out of the lips of the Minister of Finance. He was on his feet wanting to transfer it for debate. And I know that is a technique that can be easily done. You ask for something that you know you cannot get in the way of an answer. You ask for the impossible and it has to be turned down. It gives you an opportunity to debate it, and that's what my honourable friend has done.

I am not quarreling with that technique. It is, I suppose, a perfectly legitimate one but I wish he would not try to cloak it in the garb of respectability because it isn't that. It was simply a trick on his part to try and raise this subject for debate. He has done it; I hope he enjoys it. But my

honourable friend certainly cannot expect this government or any other government is going to provide them with information that they don't have as yet and will not have until the end of the fiscal year.

Surely my honourable friend is not so naive as to suggest, or to even suspect, that that can be done until the books are closed.

MR. SPEAKER: The Honourable Minister of Tourism. The Honourable Member for Brandon East with a question?

MR. EVANS: Yes, if the Honourable Minister would submit to a question. We talked about budgeting but that's . . . my question, but could he advise whether advertising agencies are not at this time assigned to departments, or one agency or two agencies, or three?

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: I don't know what the practice of my honourable friends was but advertising agencies are hired when there is a need to do a particular job and that sort of thing can develop during the course of a session, towards the latter part of a fiscal year or at the beginning of a fiscal year. And so if we were to provide my honourable friend with the information that he seeks, he would know that before the Order for Return was returned — if indeed it was returned before the end of the fiscal year — it would be incomplete. What would be my honourable friend's next step then? To stand up in the House and criticize the government for providing false information to him, for providing incomplete information to him?!

I don't know how he could expect that a government can provide information that it does not itself already have. And that's really what this Order for Return is asking for.

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

MR. BANMAN: Thank you, Mr. Speaker. I just want to briefly put several things on the record with regard to ad agencies. There was a bit of a kerfuffle several months ago with regard to one of the agencies that was doing some work for my particular department.

The Member for Brandon East referred to Foster Advertising several times and I guess maybe it's incumbent on us to refer to several other things as far as what occurred when the gentlemen opposite were in office.

Back in 1970, Mr. Speaker, in checking I find out that there was really only one ad agency that dealt with my department throughout the years. I don't know why that happened. I guess maybe they must have been the low bidder on these things. But after checking, I find out there were no bids as far as that's concerned. And I think maybe for the record we should just put it before the members here. From the fiscal year 1970-71 there was a firm by the name of Dunsky that got \$78,673 from the people of Manitoba. In the fiscal year 1971-72 there was another agency called Dunsky that got \$144,000.00. In 1972-73 they got \$72,000.00. Dunsky again. In 1973-74, \$93,000, and then in 1974-75, just after an election, they got \$131,000.00. In 1975-76 they got \$87,000.00. In 1976-77 they got \$56,000.00.

Mr. Speaker, then in the last fiscal year, 1977-78, apparently there was certain dissatisfaction with some of the stuff that was going on and the department then decided to do some internal work themselves. And as a result that particular year, again Dunsky got a little over \$10,000, which was sort of a drastic reduction over the year before. But the reason for that was that they wanted to do some in-house work in the Department of Tourism.

Later, in the latter part of October or the beginning of November when we took office, we found that there . . .

MR. SPEAKER: Order please. The Honourable Member for Brandon East on a Point of Order.

MR. EVANS: Well, on a point of order, the Minister refers to the Department of Industry and Commerce. Is he sure he is talking about the Department of Industry and Commerce? I think he has got his departments mixed up because we used McLaren and Baker Lovick, as well as doing internal work — not Dunsky.

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

MR. BANMAN: Mr. Speaker, I am dealing only with the Department of Tourism. —(Interjection)—

no, under my responsibility. your department, our department, everybody's department, the people's department. Mr. Speaker, I think this points very clearly the type of tendering system and the type of awarding that was followed by the previous administration. In November when we took over, we realized that we had to start our advertising campaign in the middle of January, we then asked Foster Advertising — the firm that the member mentions — to do creative work only. And as a result, that was completed and our ads and everything are presently appearing in publications throughout the northwestern states and in Canadian publications. It is our intention through the advertising audit group to make sure that for next year's production, we will allow ad agencies to put together packages for tourism promotion in the province as well as other promotions that we undertake. But let it not be said that we on this side are spending this kind of money, and I'm looking at \$144,000 in one year — \$131,000 to one particular ad agency — without asking for any tenders from anybody else or without asking for any competitions. y.

You know, to sum it up, and I just want to reiterate some of the remarks the Member for Morris made — and this is with regard to the dates on the particular Order for Return — the member is asking for the advertising information dealing with the end of March 31st, 1979. As I mentioned, we don't know who will be doing the advertising and we don't know exactly at what prices that advertising is going to be coming in, but I can assure the members of the House that we will be looking to try and get the best promotion for the Province of Manitoba, and we will be asking for that type of promotion from the people involved in the advertising business in the Province of Manitoba.

QUESTION put, MOTION declared last.

MR. EVANS: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

On the proposed motion of the Honourable Member for Brandon East — Order for Return (Transferred for Debate).

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Axworthy, Barrow, Boyce, Cherniack, Cowan, Doern, Evans, Green, Jenkins, McBryde, Miller, Parasiuk, Pawley, Schreyer, Uskiw, Walding.

NAYS: Messrs. Anderson, Banman, Blake, Cosens, Craik, Domino, Downey, Einarson, Enns, Ferguson, Galbraith, Hyde, Johnston, Jorgenson, Kovnats, MacMaster, McGill, McGregor, McKenzie, Mercier, Orchard, Mrs. Price, Messrs. Ransom, Sherman, Spivak, Wilson.

MR. CLERK: Yeas 16, Nays 26.

MR. SPEAKER: I declare the motion lost.
The Honourable Member for Winnipeg Centre.

MR. BOYCE: Mr. Speaker, on the matter of privileges of the House, I inadvertently took the adjournment on Bill No. 14, after having spoken on it, I took the adjournment for the Member for Fort Rouge, so perhaps the bill should stand in the name of the Member for Fort Rouge. I was on Bill No. 14, Mr. Speaker.

MR. SPEAKER: Is that agreeable with the House? (Agreed)

RESOLUTION NO. 3. EQUAL PAY TASK FORCE

MR. SPEAKER: On the proposed resolution of the Honourable Member for Fort Rouge on the Equal Pay Task Force Resolution. The Honourable Member for Fort Rouge.

MR. AXWORTHY: I beg to move, seconded by the Member for Winnipeg Centre, the following:

Whereas the Canadian government has recently passed legislation pertaining to equal pay for work of equal value; and

Whereas equal pay legislation in Manitoba does not specifically address itself to the issue of

equal pay for work of equal value; and

Whereas Manitoba equal pay legislation has decreased the wage gap between male and female workers in only limited circumstances; and

Whereas there are not guidelines in Manitoba to assist employers in the implementation of equal pay legislation; therefore,

Be it resolved that this House consider the establishment of a task force, composed of representatives from government, business, labour and women's organizations, to examine and make recommendations in respect to equal pay for work of equal value.

MOTION presented.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. This resolution — and I would first thank the Member for Winnipeg Centre for seconding the resolution and allowing me to place it on the Order Paper. It's designed primarily to I think, initiate a very important step in examining a principle of compensation which thus far has not received really much attention in this province, and yet I think is becoming one of the more critical issues in the area of wage compensation and equal pay standards throughout the country, in fact throughout most of the industrialized world.

I think there is a fair degree of confusion about the concept of equal pay for equal value of work. Almost every jurisdiction has equal pay legislation on the books. The Province of Manitoba has it contained in The Employment Standards Act. What that legislation generally does however, Mr. Speaker, is talk about equal pay for work that is absolutely similar, or is being carried out in the same establishment. It doesn't relate to the problem of trying to arrive at forms of compensation that would provide for an evaluation of compensation related to similar kinds of work, work that has similar tasks to be performed. And the reason why the equal pay legislation that has been passed, or has been considered in the past, is not effective or not relevant, is that it simply hasn't worked to in any way deal with the problem of the major disparity of income between male and female workers in this country.

If we look at the participation rates of women in the work force, we find that up to about 1976, it was close to 47 percent participation rates. And yet the thing that strikes me as perhaps most difficult and certainly as most disturbing is that in the last ten years the wage disparity, the average wage gap between male and female workers in Canada has increased rather than decreased. And for all the enactment of equal pay legislation in virtually all the provinces, the wage gap has grown wider. I think, Mr. Speaker, in 1965 the wage gap was around \$2,600 between male and female workers. It is now close to \$6,000 in terms of a disparity.

What we're really facing is an important and widening gap, and there is a reason for this, and it goes really down to the historic development of work in this country, and that is that there are certain occupations which are primarily or generally performed by females and occupations which are generally performed by males. And the problem there is that the occupations performed by males are generally of a much higher pay standard, and higher compensation scale, than those performed by females.

As a result, if you go into the secretarial and clerical areas, which are largely occupied by women, and compare the wage rates, compensation scale say, to males in other occupations, let's say in manual labour, or truck driving, or whatever it may be, there is a wide disparity in the actual amounts of money that are paid in those occupations. So what has simply happened, there have been certain occupations that have been designated or have found to be the place where most women occupy themselves, and yet the wage rates and differentials in those areas are much lower than those occupational categories that are performed primarily by males. As a result, the disparity continually grows. And if something isn't done to respond to that particular problem, Mr. Speaker, I suggest that the wage gap would continue to grow, and the degree of inequality would become even worse than it is now.

And this is a time when we have so many more women coming into the work force, and being faced with this constant monthly reminder, or bi-weekly reminder, when they get their pay packet, that in fact that they are being treated unequally in this society, and still being treated unequally when it comes perhaps to the primary indicator we use in our market society of one's worth which is how much you're being paid for the work that you're doing.

So it seemed to me, Mr. Speaker, that the equal pay legislation we have had on the books hasn't been effective in meeting that problem. And the reason it hasn't been effective is that generally the legislation, particularly as it's applied in this province and others, really is of equal pay for similar

kinds of work. They will say there should be no discrimination if they're both working in the same business, or the same occupation, doing exactly the same kind of work, there should be no disparity. But how do you compare someone who is a child care worker or a nurse with someone who is driving a truck or who happens to be in one of the professions. How do you measure?

Let's take a case of a child care worker which requires as much education as someone who is an accountant. And yet accountancy has three or four times the rate of pay, and it is an occupation highly dominated by males.

In fact, Mr. Speaker, I suppose the most damning indictment of the present situation is in the provincial Civil Service of Manitoba, where a study that was done for the Management Committee in 1975, and which, at least according to the Minister of Labour last year when I asked him similar questions hasn't changed at all, had made one very important statement. The one factor that can be used to designate the level of salary in the provincial Civil Service is one's sex. Not one's training or occupational skill, it's one's sex. Primarily women in the provincial Civil Service are relegated to lower paying occupations and the occupations that they perform, white collar side, are substantially lower than those occupied by males, and constantly there is this major problem of disparity between the two. And so, Mr. Speaker, it becomes important to introduce a concept of equal pay for equal value of work and I believe there is some precedent for looking at it.

The Federal Government just recently passed amendments, or not amendments, but under the new Canadian Human Rights legislation there is a statement that really is an equal pay for equal value principle that would be applied to salaries and wages paid in those areas under the federal level. But we know that only occupy maybe 10 percent of the occupations in this country. The majority of occupations are covered under provincial labour codes, or Human Rights legislation. So it would seem to me that the provinces should be providing for complementary or similar types of legislation.

I'd also point out, Mr. Speaker, something I think that the Minister of Labour should be cognizant of, and that is in 1972, the Government of Canada, with the agreement of the provinces and the departments of labour of the provinces, signed what is called Covenant One Hundred of the International Labour Organization, the ILO being the major international labour organization. And under that covenant which was passed in 1972, it basically indicated that member states or signatories to that covenant, would work towards an equal pay for equal value of work concept. In other words, we have pledged our commitment as partners to that signature that we would begin working in those areas. So it would seem to me, Mr. Speaker, that we have an obligation, not only because of the substance of the case, but also because we have as a country and as a province shared and joined in that signatory of the ILO Covenant One Hundred, a responsibility to begin working towards that field.

Now, Mr. Speaker, I recognize that the implementation of an equal pay for equal value of work concept is not easy. It is one that really requires very substantial job evaluations and classifications in a wide range of occupations to determine what particular skills and effort are required in each of those jobs, and then to put some form of compensation factor added to it. It's a difficult job, and no one denies that it would be difficult, and that is why, Mr. Speaker, that in the resolution rather than recommending right at the start that we implement something like this, I recommend that we begin to properly examine the issue through the embodiment of a Task Force. It would be composed of those organizations in the province of business and labour, public service, and certain female organizations who have worked in this area, people like the Women's Bureau and others, the Advisory Council on the Status of Women who have begun to work in the field, to begin looking at the issue of equal pay for equal value of work, and how it might be applied in this province. How we would have to set up the kind of job evaluation and classification that would be necessary, the kind of criteria that would be used to establish full scale compensation which would not include just wages with other forms of fringe benefits, and therefore begin to establish those guidelines that could be equally employed.

And yet while I underline the difficulty, the concept is not so difficult that it can't be done, and I think that the initiative taken by the Winnipeg Health Sciences Centre, which I think about a month ago, or a month and a half ago, announced that it was beginning to implement basically an equal pay for equal value of work formula amongst its own employees, where they would take occupations say, maintenance workers, which is primarily a male dominated field and then compare it, let's say, to nurses aides or some other field which is primarily occupied by females, working out formulas of equitable pays between those two distinct occupations. So that the Health Sciences Centre has already taken one major step in that direction, but it is virtually alone in this province. Very few other steps have been made to provide any progress in this area.

I think one of the reasons is because we haven't really shown enough leadership or enough

on the provincial level. I have always accepted, Mr. Speaker, the principle that in areas such as this, that the Province of Manitoba and the Government of Manitoba should be taking the leadership role; that it should be providing the signals to the private sector as to the kind of guidelines that are necessary to make areas of labour legislation work. It would seem to me that this would be a way we could do it, by setting up such a task force, indicating the interest of the government, but also indicating that there has to be a joint venturing and partnership between major organizations concerned, that the kind of research necessary to establish a working formula would be arrived at and then that task force could then provide its recommendations and its findings for some form of public debate.

I would then like to see, Mr. Speaker, that once that task force reports that it then be submitted to a legislative committee so that we could then, as legislators, take those findings and have public hearings and invite representations on them from varieties of organizations so there would be a proper procedure.

I would remind you, Mr. Speaker, that something of a similar process went through when we looked at the Family Law legislation. It was referred to the Law Reform Commission. They came out with a report on Family Law Reform; that was then submitted to a Legislative Committee that had findings and ultimately legislation came. We are now at the stage where we will probably have a Family Law Bill ultimately passed, and one that will gain agreement, I would presume, from both sides of the House.

So it was about a two or three-year, perhaps longer, process, and I wouldn't see that this is working any faster than that. But something has to be done to initiate the step and I would suggest, Mr. Speaker, that to move towards this area a Task Force providing the original investigation enquiry would provide us with that moving off dead centre, where we have been for so long.

If we don't do that, Mr. Speaker, I would simply suggest that we were in danger of allowing a continuing condition of inequality to grow. It is clear in my mind that the equal pay legislation under the Employment Standards Act is not adequate to meet the problem of unequal compensation for work; that some reform is necessary. The equal pay for equal value of work principle and concept has been advanced in many jurisdictions and by the International Labour Organization, as being the most applicable and the most effective. It would seem to me that the next step is for us in the Province of Manitoba to see how that principle could be applied in our own jurisdiction, and I would recommend to members of this House that they support the Resolution and that the government perhaps accept the notion of the Task Force, so at least we can begin taking some important first steps to arriving at a solution to what I consider to be one of the major problems in labour relations in this province, as well as, to say nothing of the area of human rights.

MR. SPEAKER: The Honourable Minister of Labour.

MRS. PRICE: Mr. Speaker, I wonder if I might call it 5:30.

MR. SPEAKER: It has been suggested that we call it 5:30. Is there agreement of the House to call it 5:30? (Agreed)

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