

# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, July 12, 1978

Time: 10:00 a.m.

**OPENING PRAYER** by Mr. Speaker.

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell):** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees.

## MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. DONALD W. CRAIK (Riel):** Mr. Speaker, I would like to table the Financial Statement<sup>8</sup> of Boards, Commissions and Government Agencies for the Year Ended March 31, 1977. Mr. Speaker, it is not a statutory requirement to table this, but it is a document of some information for members of the Chamber.

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

## ORAL QUESTIONS

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. EDWARD SCHREYER (Rossmere):** Mr. Speaker, I would like to ask the Minister of Finance if he would indicate that with respect to the most recent press statements of yesterday, could the Minister indicate whether in referring to the amount of the provincial deficit, and using the basis upon which the present government itself will be maintaining the accounts, can the Minister say whether the deficit referred to is \$214 million, as headlined, or \$191 million as indicated later in the body of the Free Press article, referring to the deficit on the basis of accounting which the government itself will be using, as 191?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, the figure of 191 was added into it because the basis on which the deficits or the statements will be put together from here on in is on the basis of netting out the sinking funds against revenue. That is why it was added. From here on in, and incidentally that is how the auditor showed it at least last year as well, he netted it and we agreed this year that from a finance point of view that it should be netted as well. The auditor has been recommending this procedure and we intend to do the same as he has been doing and recommending.

So on the basis of comparison with this year — next year, this year's estimated combined deficit is \$114 million. Last year's actual unaudited is \$191 million, and on the basis of the former years, on the basis the former government would have shown it, is \$214 million.

**MR. SCHREYER:** Well, Mr. Speaker, it wouldn't have been shown as \$214 million because under previous accounting capital was never included in any reference to deficit. May I ask, as a supplementary to the Minister of Finance, if he would undertake to provide, simply as a matter of convenience, the tabling of a document or calculation for the past 20 years for the financial accounts of this province, showing on the basis of the combination of current and capital what years, if any, the Province of Manitoba has had other than a deficit, for the past 20 years, on that basis of accounting?

**MR. SPEAKER:** Order please. May I suggest to the Honourable Leader of the Opposition that detailed information of that nature may better be obtained by an Order for Return.?

The Honourable Leader of the Opposition.

**MR. SCHREYER:** Well, Mr. Speaker, perhaps I could rephrase and simplify the question. I'd like to ask the Minister of Finance if he would undertake to advise the House, either verbally or by way of a simple, one-page statement, with respect to the financial accounts of this province — say for the past two decades only — on the basis of the combining of current and capital accounts, whether this province has had anything other than a deficit for each of the past 20 years, and if so, what years might those be?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, I think the information referred to is pretty readily available, and I think it may in fact already have been distributed, perhaps not in that form that the Leader of the Opposition is requesting. There is a further comment in the Leader of the Opposition's statement, or prelude to his question, that the accounts would not have shown the amount of the sinking fund contributions as an expense because it would fall under capital. I don't think that's so, Mr. Speaker. The sinking funds up to this point have been always included as a cost of government operation taken out of revenue and shown as an expenditure into the sinking fund, so Mr. Speaker, I think we want to make that straight. It's true that the former government did not show a combined accounts deficit taking current plus capital, but it wasn't that hard to find out what the capital was because the Auditor usually showed it in his report each year; we're simply showing it for budgetary purposes and really not doing that much different except doing what eight out of the eleven governments in Canada are doing which is to show their accounts on this combined basis.

Mr. Speaker, with regard to the second question, which is the showing of the combined accounts and whether or not we have had a deficit or a black margin over the last 20 years or not, unfortunately, the first 17 out of the last 20 were not all that bad in terms of their combined deficit. It's the combination of the last three and four years that has caused the real problem in servicing the deficit.

As the former First Minister will know, the former Minister of Finance as well, the servicing on the \$214 million of debt is going to take roughly \$20 million out of our current account to service that next year, which is going to again put another impediment on our ability to deliver services.

**MR. SCHREYER:** Mr. Speaker, in referring to the 214 million, will the Minister of Finance indicate whether using the method of calculation which arrives at 214 million, is that exactly the same method of calculation and accounting that will be used from this year on with respect to financial administration and public accounts, or will it be a method of accounting which, if applied to this year, would result in 191 as opposed to 214, because we are again hearing the figure 214, when I believe the Minister had indicated in an answer to an earlier question that that is not the method of accounting that will be used next year and thereafter.

**MR. CRAIK:** Mr. Speaker, whether you use 214 or you use 191, your service costs are going to be in the neighbourhood of \$20 million a year, and that's the part that hurts, because \$20 million a year is not that easy to find.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. SIDNEY GREEN:** Mr. Speaker, I would like to direct a question to the Honourable the Attorney-General. Has the Attorney-General had the opportunity to check on the funding problems of Shaughnessy School program which I asked him about the other day, which program the parents who have been involved in, feel will not continue next year because of a discontinuance of a PEP Grant? Has the Minister had an opportunity to look into it?

**MR. SPEAKER:** The Honourable Attorney-General.

**HON. GERALD W. J. MERCIER (Osborne):** Mr. Speaker, I have initiated the enquiry but do not yet have a response.

**MR. SPEAKER:** The Honourable Member for Seven Oaks.

**MR. SAUL MILLER:** Mr. Speaker, further to the question to the Minister of Finance, can the Minister of Finance confirm that the province has received \$30 million on a cash flow basis from Ottawa, approximately \$30 million, which they are not showing as revenue in this 1977-78 fiscal year, but rather as a shortfall in revenue because they think they are going to have to pay it back next year?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, without getting into the actual entry details, it is difficult to answer it unless the member wants to be somewhat more specific. Perhaps it is sufficient to say that the figures that are shown here are the figures — the 214 figure is the figure that compares with the figure that was projected last November of 225, or the later revised 181, which as a result of probably the changes he is referring to change it to the 214. But perhaps it is sufficient to say that had the former government continued on, the 214 figure is the basis of calculation that would cause that to emerge. Whether it would have been 214 or would have been 225 is open to question and speculation perhaps by both sides of the House. But the technique that shows the 214 is the exact technique that would have been used by the former government in last year or the year before or in its procedures.

**MR. MILLER:** Mr. Speaker, the Minister did not answer my question. The question I asked is: Is the government treating \$30 million which they received from Canada, and they have in the Treasury and earning interest on it, are they treating that as revenue which it normally is because it came in in the fiscal year, or are they treating it as an amount which they may have to pay back next year to the Federal Government, thus they are inflating the 214? I suggest, Mr. Speaker, and I'm wondering if the Minister could corroborate that in fact, using that \$30 million as it should be, as revenue received in this year, or in 1977-78, then in fact that balance could be, or the amount could be more like 184, or using the new bookkeeping, 161 million?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Well, Mr. Speaker, I expect the members across the way to wiggle and squirm all over the place and if they want to cast doubts on the figures, I suggest that they take their figures and go directly to the auditor and ask him whether or not there is anything abnormal about the presentation because, Mr. Speaker, it wouldn't matter what I told them, they will try and find an out. The fact remains that the deficit is at a record high, Mr. Speaker, and it is a record high that is causing a major imposition on the taxpayers of Manitoba.

**MR. SPEAKER:** The Honourable Member for Seven Oaks.

**MR. MILLER:** Mr. Speaker, I thank the Minister for his comments. Insofar as wiggling is concerned, he takes the cake. The fact of the matter is, Mr. Speaker, I again ask him: Is the government treating \$30 million received from Canada, not as revenue, but as an outstanding debt which they will apply next year to some moneys which they think they are going to have to repay to Canada, that the adjustment wasn't made this year and they are assuming they are going to have to pay it back even though changes take place annually?

I am suggesting that of the 30 million that is taken in, can the Minister confirm that the figures are more like 184 million, and using the new bookkeeping methods he referred to in the press, is 161 million?

**MR. CRAIK:** Mr. Speaker, the same answer holds that I gave before. Mr. Speaker, the presentation here is the same presentation exactly as would be used by the former government in their procedures. If they want to search for 30 million . . . Mr. Speaker, the last time it was \$30 million of Capital carry forward and they spent two months trying to prove that there was something inordinate about that. Mr. Speaker, it was the same procedure that has been used for years, and then they finally had to keep quiet on that and now they have to go searching for another one. Mr. Speaker, if the members opposite want the figure of 214 million, we have bent over backwards to say that if the flows for the contributions to the Sinking Fund are netted out, it will reduce the 20 million. The other figures are identical to the procedures that are normal and were applied from a year-to-year basis.

**MR. SPEAKER:** The Honourable Member for Seven Oaks.

**MR. MILLER:** Mr. Speaker, perhaps I can pose a question to which I can get a yes or no answer. Has the government received \$30 million from Ottawa which they are not treating in the normal way as a cash flow, but rather are putting it aside? Yes or no?

**MR. CRAIK:** Mr. Speaker, we have not received \$30 million from Ottawa that we are not treating in a normal way.

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

**MR. BILLIE URUSKI:** Thank you, Mr. Speaker. I would like to, in the absence of the Minister of Public Works, either to the Acting Minister or to the First Minister, I would like to ask the First Minister whether in view of the government's restraint program that they have imposed in this province, whether they are now in the process of also restraining the public from entering the legislative grounds by putting up gates at a number of entrances to the Legislative Building?

**MR. SPEAKER:** The Honourable First Minister.

**MR. LYON:** Well, Mr. Speaker, I presume that my honourable friend is referring to some barricade that's at the west side of the building which actually prevented me from entering the grounds from the usual way in which I enter them, but on closer examination last night, I found that there had been some repair work done there. I drove by there this morning; it looked as though there had been some concrete repair work. But I'll be happy to take the question as notice and find out what it is. I'm sure that matters of such profound importance should be looked into immediately.

**MR. URUSKI:** Yes, Mr. Speaker. For the First Minister's edification, there are blockades that he's talking about, they're not repairs. They are actual posts, permanent posts, steel posts that are being erected with a centre holder that will lock at least four entrances that I have seen. And I wonder if that's what the First Minister calls a free Manitoba?

**MR. LYON:** Well, Mr. Speaker, as I undertook to do, I will pass that profoundly important question along to the Minister of Public Works for his attention. Insofar as free Manitoba is concerned, insofar as free Manitoba is concerned, Mr. Speaker, I am sure that the people of Manitoba today are enjoying a kind of economic freedom not under the hands of my socialist friends opposite, that they haven't had for the last eight years, and if he would like to have a re-run, if he would like to have a re-run any time of October 11, we're game.

**MR. URUSKI:** Is the First Minister prepared to put up or do otherwise?

**MR. LYON:** Well, according to my honourable friend, we're apparently prepared to put up posts, but we'll look into that.

**MR. SPEAKER:** The Honourable Minister responsible for the Task Force.

**HON. SIDNEY SPIVAK (River Heights):** Mr. Speaker, yesterday the Honourable Member for Inkster asked certain questions of the Minister of Labour dealing with Statistics Canada records with respect to provincial employees, and I believe, Mr. Speaker, from his seat, he said that what has happened is that the government has presented a snow job with respect to the Civil Service. I'd like to, Mr. Speaker, for the edification of the honourable members opposite and for the purpose of ensuring that the Honourable Member for Inkster will do his research a little bit better, to answer the questions and to put on the record the information supplied by Statistics Canada.

As of March of 1977, in terms of public employees, Statistics Canada showed 14,090. As of March 1978, they showed 14,192. The honourable member then made the conclusion that there were 100 more employees than the previous year and thus the information supplied by the government was in fact inaccurate. However, Mr. Speaker, he neglected to point out that the records also show that in June of 1977, there were 16,637 public employees; in September of 1977, Mr. Speaker, which was really October 1, there were 15,336. So that from a period of October 1 to March 1978 there was a reduction of 1,144, Mr. Speaker. Mr. Speaker, as well, the records will also show that Statistics Canada's records were, although referring to March 1978, really are compiled by the middle of March and do not conclude at the end of March.

In addition, Mr. Speaker, they do not include contract employees. Mr. Speaker, as of October, there were 1,146 contract employees, October, 1977. There were approximately 400 at the end of March. So, Mr. Speaker, with respect to the records, on the basis of Statistics Canada record, the reduction is more than what the government has claimed.

**MR. SPEAKER:** The Honourable Member for Inkster. !

**MR. GREEN:** I rise on a point of privilege, Mr. Speaker, or a matter of clarification, whichever you will accept. Mr. Speaker, the figures that I gave to the House are exactly the figures that have been repeated back by the Honourable the Minister. Mr. Speaker, the honourable member has suggested

that I have falsified figures to the House. The figures that I gave to the House, Mr. Speaker—(Interjections)—

**MR. SPEAKER:** Order please. The Honourable Member for Inkster.

**MR. GREEN:** Mr. Speaker, there has been a suggestion that I had misled the House. The figures that I gave the House are exactly the figures that have been repeated by the Minister without Portfolio. I also showed members of the media the September figure. I gave them my opinion that in September, more employees are deployed. You will have to compare September with September, and March with March.

I am also advised, Mr. Speaker, and in this, if there is a contradiction, it will have to be resolved, I am advised by our research director, who gave the accurate figures, that that includes everybody on the payroll, including contract employees.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. LLOYD AXWORTHY:** Mr. Speaker, in the Supplementary Estimates that were tabled in the House, the Minister of Health and Social Development has included an item of \$154,000 for the Alcoholism Foundation of Manitoba. Could the Minister now indicate whether that additional fund for the Alcoholism Foundation includes the restoration of funds for several of the private agencies working in the alcohol field?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. R. (Bud) SHERMAN (Fort Garry):** I can't at this juncture, Mr. Speaker, give that indication to the honourable member. The fact of the matter is that the Alcoholism Foundation would have been headed for a deficit on the basis of the Estimates approved at the time that my Estimates were before the House, and that whole position has been looked at and reviewed. I would be prepared, certainly, to provide full details of the intended application of the increase in funding to the honourable member when we are debating Supplementary Estimates.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Thank you, Mr. Speaker. I'll await the Minister's decision in that regard. I would like to ask him about the support that the Department of Health and Social Development is presently providing through external funds to the Manitoba Child Care Association in its five lunch and after school programs. Has the Minister received an indication from the five lunch and after school programs that unless there is some additional support beyond the \$10,000 base grant that all or most of the lunch and after school programs will be required to close or cease their operations by the end of this year because of lack of support of the government?

**MR. SPEAKER:** The Honourable Minister of Health.

**MR. SHERMAN:** No, Mr. Speaker, I haven't received that kind of indication. I certainly have had entreaties from various persons who are patrons and consumers of the lunch and after school programs, for additional support. There certainly have been arguments advanced by individuals to me suggesting that the programs are valuable and vital and that they have some concerns over their future continuation. I have an equal interest in seeing those programs maintained. They are being funded at the present time for 1978-79 at the same level that they were funded in the preceding fiscal year. There is no reduction in that funding and there is also no increase, but they are being maintained at that level and I have not had any kind of approach of the kind suggested by the honourable member.

**MR. AXWORTHY:** Mr. Speaker, a supplementary. Considering the Minister's interest in maintaining these programs in existence, and considering the fact that most of them have relied upon the ICEP Programs, Inner-City Employment Programs, previously to maintain their level of activity during the past year, could the Minister provide some guarantee that their application for continued support under the ICEP Program would be maintained to enable them to at least continue with the same level of operation even though their external grants have not been increased at all over last year's grant?

**MR. SHERMAN:** Well, I'll certainly monitor this situation very closely and attempt to reinforce those programs as best I can within the limitations of the government's budget and fiscal restraints for

this year. I will look at the suggestion of the honourable member, Mr. Speaker.

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

**MR. URUSKI:** Thank you, Mr. Speaker. I would like to pose a question to the Minister responsible for the disappearing Task Force. Would he be prepared to supply Members of the Chamber now a comparison of figures that he gave earlier this morning, comparing the months of March of 1977 to March of 1978, and September of 1977 to September of 1978, rather than comparing, as he did, September of 1977 to March of 1978.

**MR. SPEAKER:** The Honourable Minister.

**MR. SPIVAK:** Mr. Speaker, I think the honourable members have access to the same information that we do from Statistics Canada, and I would suggest, Mr. Speaker, that he can look that up and make his own comparison.

Mr. Speaker, the issue before us is a very simple one. The honourable members have to acknowledge that from the time the government took over as the new government, they did reduce the Civil Service, and the records and the statistics, Mr. Speaker, will prove that.

**MR. URUSKI:** Mr. Speaker, to the same minister, a follow-up question. In light of his comments, could he suggest to his colleague, the Minister of Labour, that she produce the figures that she promised several weeks ago with respect to all the vacancies and all the positions that were vacant prior to the new government taking office, and all the questions that were asked during her Estimates of the Civil Service Commission, and not stall in providing this House with the figures that she has, over the last couple of weeks.

**MR. SPIVAK:** Mr. Speaker, I have already quoted the figures of 15,336 at the end of September. One would have to believe that the members opposite were not filling those positions during the eleven days prior to the election. I don't think that that was the case, Mr. Speaker.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. SCHREYER:** Mr. Speaker, some weeks ago now, I asked the Minister of Labour, the Minister reporting for the Civil Service Commission, whether she would bring forward information relative to the number of positions abolished and the number of actual persons employed, terminated in their employment. The Minister agreed to provide that information and took the question as notice. I wonder if she could now indicate whether we can get this exact, precise information and avoid future speculation about numbers relative to vacancies unfilled and abolished, and actual persons employed having their employment terminated.

**MR. SPEAKER:** The Honourable Minister of Labour.

**HON. NORMA L. PRICE (Assiniboia):** Mr. Speaker, the report is being compiled and I will have it shortly.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. SCHREYER:** Mr. Speaker, I would like to pose a question to the Minister responsible for the administration of The Environmental Protection Act, and that is to ask the Minister: With respect to the continuing problem of the indecision as to what to do in disposing of some tonnages of arsenic in the Village of St. Pierre, can the Minister say at least this, is there a date by which the Ministry hopes to have this problem resolved, or a firm course of action determined?

**MR. SPEAKER:** The Honourable Minister responsible for the Environment.\$\$

**HON. BRIAN RANSOM (Souris-Killarney):** Mr. Speaker, I believe as I said when the question was first raised, that we hope to resolve it within a few months, and considering the fact that it was on the plate of the previous administration since 1972, then I think that's a reasonable time frame.

**MR. SCHREYER:** Mr. Speaker, I'm not suggesting there's any unreasonable lapse of time. I am asking the Minister, however, whether he will ascertain whether the problem arises substantially because of the change in the law and regulations federally in Canada, or because of a change in

law and regulations at the provincial level, in either of which case, it seems to me, that should be germane in determining which level of government, if any, bears some share of the onus of dealing with this problem.

**MR. RANSOM:** Well, I've stated, Mr. Speaker, that I consider that there are four groups involved that have some responsibility here. One is obviously the people that own the arsenic, but the magnitude of the problem is such that it is extremely difficult for them to deal with alone. The municipality has the power, under The Municipal Act, to pass a by-law which says that a hazardous substance such as that should be removed from the municipality. The province has no direct authority to deal with the situation under The Clean Environment Act because the arsenic is not in fact causing contamination of the soil or the water or the air at the moment. The Federal Government, I believe — well, I can't say that they recognize some responsibility in it. They certainly are concerned about the fact that the material is there; they have indicated that they will provide technical assistance. There has been no indication at this stage that they would provide financial assistance. So, it's a complicated situation which has no clear-cut guidelines or clear-cut legal responsibilities. To me the most clear-cut one is the authority under The Municipal Act for the local council to pass a by-law that it be removed from the area. The question then comes up as to where it can be moved to, but we are looking at a number of alternatives ranging from moving it out of the country to putting it into temporary storage, because of a study that's been underway in Western Canada and the Territories with respect to an inventory of hazardous wastes and the intention being that some measures will be taken eventually for dealing with hazardous wastes, and that temporary storage might therefore be feasible.

**MR. SCHREYER:** Mr. Speaker, admitting that it is a complicated problem, nevertheless I should like to ask the Minister whether he can indicate as to which level of government's action it was that caused this material, which presumably at one point in time, earlier in time, had been a permissible use substance, to become non-permissible as to use? And therefore, may I ask the Minister which level of government took a course of action which changed the designated or permissible use of this substance? If he can indicate that, perhaps he can also indicate some insight as to where the principal onus lies as between the two levels, senior levels of government.

**MR. RANSOM:** My understanding of that, Mr. Speaker, is that it was a federal regulation that accomplished that, but I'm not entirely positive that that's the situation. Neither am I intending to try and affix some definite blame on the basis of whose regulation it was that said that they could no longer use arsenic trioxide for the purpose which these people had intended. The province is accepting some responsibility in the terms of taking the lead in trying to resolve a difficult situation, but by taking that lead I am in no way acknowledging that the other people involved don't also have a substantial degree of responsibility and some authority.

**MR. SPEAKER:** The Honourable Member for Brandon East.

**MR. LEONARD S. EVANS:** Mr. Speaker, I'd like to address a question to the Minister without Portfolio responsible for the Government Task Force on Organization and Economy. Could the Minister advise the House whether he still has staff on the payroll, that is, staff that were retained by the government to help with the preparation of the Task Force report, or have they now been released because the report has been completed?

**MR. SPEAKER:** The Honourable Minister responsible for the Task Force.

**MR. SPIVAK:** Mr. Speaker, that question was answered by the First Minister in dealing with the Executive Council Estimates in Committee, and the answer is yes. And any additional information the honourable member would be able to obtain by looking at the Hansard.

**MR. EVANS:** I thank him for his answer. Is the Honourable Minister, Mr. Speaker, intending to use such staff to systematically review each department with the various and sundry Ministers and their staff with respect to the implementation of this Task Force Report?

**MR. SPIVAK:** Mr. Speaker, the work of the Task Force at the present time has been explained by the First Minister in the estimates and I again would refer the honourable member to the Hansard.

**MR. EVANS:** Well, a final supplementary, then. The very last page of the Task Force Report — and I'm quoting, Mr. Speaker — it states, "The Task Force recognizes that in many fields there

will be a requirement for phased and for transitional re-organization. It further recognizes that additional studies will be needed to complement and to expand on the brief, four-month work of the Task Force." So, my question to the Minister is, is anyone now on his staff engaged in this particular process? Or, if his staff is not doing this, who will be doing this particular work?

**MR. SPIVAK:** Well, Mr. Speaker, the answer is yes, and the First Minister did give some elaboration of that in the Estimates.

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

**MR. LAURENT L. DESJARDINS:** Mr. Speaker, I have a question to the Honourable Minister of Health. How many acute beds have been closed in the Greater Winnipeg hospitals since November 1st? And I would imagine that the Minister will have to take it as notice, and I wonder if he could break it down per hospitals in the Greater Winnipeg area?

**MR. SHERMAN:** I'll have to take that question as notice, Mr. Speaker, but I might say that the closure of some acute beds in one particular hospital in Greater Winnipeg has been brought to my attention and is related to summer vacation periods, and I am looking into that. As far as a complete report is concerned, I'll have to report back to the honourable member.

**MR. DESJARDINS:** Mr. Speaker, because of the answer of the Honourable Minister, I'd like to ask another question. Does that mean that the hospital cannot hire any replacement during the summer or the holiday season, or is it that sickness takes a holiday in the summer?

**MR. SHERMAN:** It's neither, Mr. Speaker. It happens to be a particular action taken by a particular hospital. The question raised by my honourable friend would be better dealt with by the Board of the hospital. At the same time, I think it raises a whole question in which I am keenly interested and I'm sure all members of the House are interested, if it's possible to close acute beds because of vacation schedules that injects an interesting perspective into the whole acute bed discussion.

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. WILSON PARASIUK:** Thank you, Mr. Speaker. My question is addressed to the Minister responsible for the Manitoba Housing and Renewal Corporation. In light of a tender call, which ends July 14th, 1978, for the sale of seven residential building lots owned by MHRC in the St. Vital area, can the Minister indicate why these are being sold as a block which will prevent individuals from bidding on individual lots that they could build their own family home on?

**MR. SPEAKER:** The Honourable Minister responsible for Housing.

**HON. J. FRANK JOHNSTON (Sturgeon Creek):** Mr. Speaker, the reason that they are being advertised as a block is they are in very close proximity to one another and it's probably more advisable to have them sold as a block. It's a reserve bid, Mr. Speaker; if it doesn't come in the way we expect it to or the way we think it should, we will change our opinion and retender it.

**MR. PARASIUK:** A supplementary, Mr. Speaker. In the light of the practice of MHRC in Inkster Gardens where they provided the lots to individuals first and then, secondly, provided them to builders afterwards, would the Minister extend the deadline for these tender calls and readvertise so that individuals will now be in a position to bid on lots, even if they are in close proximity, because they were right contiguous, right next to each other, in Inkster Gardens and MHRC followed the complete opposite practice in disposing of lots there?

**MR. JOHNSTON:** Mr. Speaker, in the case of Inkster Gardens, the MHRC owned the whole piece of property and we developed the whole piece of property. We are not in that position at the present time. As far as extending it is concerned, we will take a look at that.

**MR. SPEAKER:** The Honourable Member for Selkirk.

**MR. HOWARD PAWLEY:** Mr. Speaker, also to the Minister without Portfolio, responsible for Housing. Can the Minister confirm that negotiations are presently underway in respect to the sale of the lands presently held by MHRC, known as the Woodlands Development in West Selkirk?



**MR. SPEAKER:** The Honourable Minister responsible for Housing.

**MR. JOHNSTON:** I wonder if the member would clarify his question. Is he saying we are selling all of the land in the Woodlands Development, or are we selling lots?

**MR. PAWLEY:** To clarify my question, are negotiations underway at the present time for the sale of the total area that has been developed in West Selkirk, known as the Woodlands Development, the total area, to a developer.

**MR. JOHNSTON:** Mr. Speaker, I will answer that question by saying not to my knowledge, and if there are negotiations that are going on that I don't know about, there will be some problems.

### ORDERS OF THE DAY

**MR. SPEAKER:** The Honourable Government House Leader.

**HON. WARNER H. JORGENSEN (Morris):** Mr. Speaker, will you call Bill No. 70, please?

BILL NO. 70 — THE STATUTE LAW AMENDMENT (TAXATION) ACT (1978) (2)

**MR. CRAIK** presented Bill No. 70, The Statute Law Amendment (Taxation) Act (1978)(2), for second reading.

**MOTION presented.**

**MR. SPEAKER:** Are you ready for the question? The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, the bill, although a medium-sized bill is really a bill that allows the conversion to the metric system of gallons to litres, and the various sections of various Acts are accommodated in this bill to allow that conversion. It represents no change in the taxation level. The calculation is taken so that the price per litre on direct conversion is taken to the nearest one-tenth of one cent per litre, which is the size of the gradations of the metering devices on the various gas pumps.

So, Mr. Speaker, that is the sum and substance of the bill. There is no change in taxation levels included in here, unless by accident. In the various cases, one-tenth of a cent per litre may move the price per gallon slightly up or slightly down but in overall terms there is not integrated into the bill any basic change in taxation. So it's basically a bill that allows that conversion to take place. It will probably occur on the 1st of January, 1979. That is the date that the industry is gearing up for. As you can imagine, it's a cross-Canada type of a move that has to be made. The industry feels that it can accommodate the change and would like to make it January 1, 1979. By proclamation of the bill, it gives the government the power to allow that move to happen.

**MR. SPEAKER:** The Honourable Member for Seven Oaks.

**MR. MILLER:** Mr. Speaker, I thank the Minister for his explanation and I accept his statement that there is no change in taxes per se, except for the known one, which was the shifting of revenue from MPIC to the Provincial Treasury, that this is simply a conversion to the metric system and it's in line with the step being taken across the country.

So on that understanding and if as a result of my perusal of the bill I find otherwise, in which case we can discuss it in Committee of the Whole, we are prepared to pass it through at this point.

**QUESTION put, MOTION carried.**

### BUSINESS OF THE HOUSE

**MR. SPEAKER:** The Honourable Member for Kildonan.

**MR. PETER FOX:** I'd like to announce a change on Statutory Regulations and Orders Committee. The Honourable Member for Transcona to be placed back on and the Member for Churchill to be removed.

**MR. SPEAKER:** Is that change agreeable? (Agreed)  
The Honourable Government House Leader.

**MR. JORGENSEN:** Will you call Bill No. 62, Mr. Speaker?

**ADJOURNED DEBATES ON SECOND READING**

**BILL NO. 62 — AN ACT TO AMEND THE RENT STABILIZATION ACT**

**MR. SPEAKER:** Bill No. 62, on the proposed motion of the Honourable Minister of Consumer Affairs. The Honourable Minister of Consumer Affairs is closing debate.

**HON. EDWARD MCGILL (Brandon West):** Mr. Speaker, in closing debate on this bill to amend The Rent Stabilization Act, I'd like to acknowledge the contributions made by the Member for Transcona, the Member for Fort Rouge, the Member for Seven Oaks and the Member for St. Matthews.

Before dealing briefly with some of the comments and criticisms that were made of the proposed Act, Mr. Speaker, I would like to advise the House that since the bill was originally drafted we have received representations from various interested groups, some landlords and tenants, and some of the points that were made, Mr. Speaker, with respect to the bill as printed we considered to be valid and it is proposed that there will be some amendments introduced at the committee stage.

Members will recall that in my statement of April 28th, I stated that units rented at \$400 or more could be exempt from the guidelines. As the bill now reads the rent would have to be in excess of \$400 rather than equal to or in excess, so that difference, Mr. Speaker, will be corrected by amendment at the Committee stage.

A question was also raised as to whether a premise would be deemed to be voluntarily vacated when the landlord is granted an order for possession because of a tenant's breach of any condition of his tenancy agreement, or a breach of The Landlord and Tenant Acts. Since the order for possession results from the tenant's actions we will recommend that vacancy, upon order for possession, be deemed to be a voluntary vacancy.

Finally, Mr. Speaker, with respect to proposed amendments, the bill provides that upon voluntary vacancy a unit is removed from the guidelines. It is intended that the landlord should be able to negotiate a new rental with a new incoming tenant. It has been brought to our attention, however, that under another section of the Act a landlord cannot increase the rent for a period of 12 months following the most recent increase. It's evident, Mr. Speaker, that this provision rather frustrates the intent of the bill, and an amendment will be introduced in that connection.

Mr. Speaker, the Member for Transcona, in his contribution to the debate on this bill, made the assertion that the Minister was trying to fool the public, that what he really was intending to accomplish was the immediate end of rent controls. It's rather difficult to relate those comments with the bill itself, unless he construes June 30, 1980 — two years from now — as being immediate. And even if he does, then, Mr. Speaker, I suggest that the bill includes some authority for the Governor-in-Council to extend the controls based upon what circumstances may be experienced and encountered at that time. So, Mr. Speaker, it's rather difficult for me to accept a statement that we are attempting to fool the public by bringing an immediate end to rent controls.

If he means that the intention of the government is to eventually phase out rent controls, then that would be an acceptable interpretation of our intent, and that would be probably a reasonable summation of what the members opposite were intending to do when they were in government and when this Rent Stabilization Bill was originally brought to the House. The intent then has not changed; it is still our purpose eventually to remove this control mechanism from the market for rental accommodation. How soon that can be accomplished completely we are not able to tell at this stage. There will be factors which perhaps have not yet been anticipated that will be encountered in the next two years, and these will certainly have to be taken into account when further amendments to The Rent Stabilization Act are made.

The Member for Transcona, I think, frequently and during many questions that he placed in the House, tries to relate this bill to a bill to produce additional housing accommodation. Mr. Speaker, I think that is a difficulty that is found with the presentations of the members opposite who contributed, that they are attempting to find in this bill some policy determination as to the improvement of the stock of rental accommodation in Manitoba. This bill, as was its original predecessor, the original bill, and the amendments, were intended to be complementary to the Anti-Inflation Board restrictions, and the desire of the Board to restrain the inflationary spiral that we were, and are still having to contend with. So, I think we should clearly separate the two functions; we are here still attempting to control inflation. We are not directly attempting, through this bill,

to increase the amount of rental accommodation available. But certainly, Mr. Speaker, I think if we were to adopt what now appears to be the position of members opposite, that they think there should be permanent rent controls imposed, we would in fact be working in the opposite direction. We would have a limiting effect in the long run on the building and availability of additional rental units in our province.

So, when he criticizes the bill as not including any program for new housing I think he is simply trying to relate two different policies into this Act. He suggests, Mr. Speaker, that vacancy rates of 4 or 5 percent should be the case before any decontrol measures are considered. I would suggest to the member that during the period that CMHC has been providing statistics as to vacancy rates, that — and I believe they go back to 1963 — that on only seven occasions has the vacancy rate been above 4 percent. So we might interpret then from the member's position that we should have had almost perpetual rent controls in place since the mid-sixties.

The argument, of course, again, is placed that there will be no staff to monitor this program, and in fact, the staff was seriously reduced when it should not have been, and that we are not planning or putting in place a sufficient competency in our Rent Review Agency to deal with what they anticipate to be a flood of referrals and a flood of complaints under this bill before us.

Mr. Speaker, the reductions that were made in the staff to which the member refers were made on the recommendation of the Director of the Rent Review Agency because of the reduced workload which was experienced in Phase III — we need not go into that again, that was clearly explained, I believe, in response to questions that were placed in the House at that time. It is the intention of the department to ensure that additional staff will be made available to accommodate what experience we have in respect to increased referrals and increased cases.

The Member for Fort Rouge expressed fear that landlords will seek to obtain possession of premises on the grounds that vacancy is required in order for him to proceed with extensive renovations. He suggested that under such circumstances the vacating tenant should have first right of re-entry after the renovations are completed. In the first instance, when a notice to vacate is initiated by the landlord, it cannot be presumed that the tenant has voluntarily given notice of intention to vacate, as specifically stated in one of the parts of the Act. Inasmuch as the vacancy of the premises is not voluntarily, it would therefore not qualify for exemption from the guideline restrictions. But if the landlord does obtain vacant possession and proceeds to renovate, he would still have to apply to the board for a higher than a guideline increase.

Mr. Speaker, the Member for Fort Rouge also insisted that this bill should not have been introduced without companion statements as to the government's intention in respect to overall housing policy. Well, again, I point out that we are dealing here with an AIB complementary procedure. We are attempting to control the inflationary spiral as it relates particularly to rentals charged in our community. I am sure the member will acknowledge that the Anti-Inflation Program was not directed solely to accelerating costs of housing of all kinds. It was a general measure meant to apply to all economic activity.

The member states that, contrary to some statements that have been made, rent control does not affect new rental unit starts because of the 1976 exemption date. This is, Mr. Speaker, in my view a questionable observation since having a controlled and an uncontrolled sector existing in the marketplace over the longer run establishes a significant rent gap which may very conceivably reduce the starts.

Mr. Speaker, the member should not overlook the fact, also, that it is intended that the overall rental market will be monitored to evaluate what actually happens when units are freed from the guideline restrictions. It bears mention, also, that no unit will be released unless previous orders for refunds issued by the board have been honoured.

Mr. Speaker, if I may just return for a moment to the criticism of the exemption based upon voluntary vacancy, it has been suggested that this provision will limit the mobility of low-income tenants. On the other hand, the positive aspect is that it provides ongoing protection for this group where the greatest need for such protection has been perceived.

The Member for Transcona asked if anyone actively involved in the program participated in the drafting of the bill. I can assure the member that the Chairman of the Rent Stabilization Board was consulted and the recommendations were discussed with him in detail.

The Member for Fort Rouge expressed the opinion that tenants are frequently intimidated or otherwise unable to effectively present their cases in respect of applications to the agency or appeals to the board. As a result of a recent situation that was brought to my attention, I can assure the member that this is not entirely true. The Associated Tenants Action Committee is taking an active interest in the enforcement of tenant rights under both The Rent Stabilization Act and The Landlord and Tenant Act. In other cases, tenants have voluntarily banded together in representations to the board and that has produced some positive results. It is not possible, then, Mr. Speaker, to accept a general statement that all low-income tenants are at a significant disadvantage.

Mr. Speaker, again, I refer to the question and the comments made as to the adequacy of the

staffing of the agency and the board, and I can only repeat that the agency will be staffed adequately to handle the workload. It appears that some members opposite are suspicious of the intentions of the department in that respect. It is true that from time to time some landlord and tenant expectations of prompt and immediate service may be unrealistic. Notwithstanding this possibility, however, I reaffirm my commitment with respect to the staffing of the agency.

I agree, Mr. Speaker, that it is not possible to know how all landlords and tenants will react during the decontrol program. I feel confident, however, that in the majority of cases there will be a reasonable and responsible attitude. I am further persuaded that in the absence of such constructive attitudes, there are adequate provisions in the bill to deal with irrational tenant expectations and excessive landlord demands.

With these few remarks, Mr. Speaker, I move that the bill be now referred to Committee for further consideration.

**QUESTION put, MOTION carried.**

**MR. USKIW:** Yeas and Nays, Mr. Speaker.

**MR. SPEAKER:** Call in the members.

Order please. The motion before the House is that Bill 62, An Act to amend The Rent Stabilization Act, be now read a second time.

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

**YEAS:** *Messrs. Anderson, Banman, Blake, Brown, Cosens, Craik, Driedger, Einarson, Galbraith, Gourlay, Johnston, Jorgenson, Kovnats, Lyon, MacMaster, McGill, McGregor, McKenzie, Mercier, Orchard, Mrs. Price, Messrs. Ransom, Sherman, Spivak, Steen, Wilson.*

**NAYS:** *Messrs. Adam, Axworthy, Barrow, Bostrom, Boyce, Cowan, Desjardins, Evans, Fox, Green, Hanuschak, Jenkins, McBryde, Malinowski, Miller, Parasiuk, Pawley, Schreyer, Uruski, Uskiw.*

**MR. CLERK:** Yeas 26, Nays 20.

**MR. SPEAKER:** I declare the motion carried.  
The Honourable Government House Leader.

**MR. JORGENSEN:** Call Bill 65, and then 69, please.

#### **BILL NO. 65 — AN ACT TO AMEND THE HUMAN RIGHTS ACT**

**MR. SPEAKER:** The Honourable Member for Kildonan.

**MR. PETER FOX:** Mr. Speaker, I adjourned this bill for my colleague, the Member for Selkirk.

**MR. SPEAKER:** The Honourable Member for Selkirk.

**MR. PAWLEY:** Mr. Speaker, I rise in connection with this bill to indicate the opposition of the New Democratic Party to these proposed amendments —(Interjection)— someone said human rights. Mr. Speaker, we would be pleased to support amendments to The Human Rights Act which would improve and strengthen human rights in the Province of Manitoba, but not amendments which are geared toward the taking of a backward step in human rights in the Province of Manitoba.

I think it's unfortunate that in this year, when we approach the 30th anniversary of the Declaration on Human Rights by the United Nations, in which all signatories to the United Nations joined, back in 1948, as we reach that point in Manitoba, we cannot take a more positive, a more progressive stance insofar as the law-making is concerned in Manitoba. Mr. Speaker, certainly human rights is very much on the minds of so many not only in Manitoba, but throughout Canada, throughout the world, and we see so much repression of human rights in various countries of the world, both of the extreme right and the extreme left, and also countries that profess to be democratic, that I would hope at this point, in the thirtieth year of the Declaration of Human Rights, that Manitoba

could assume some leadership.

But Mr. Speaker, in the amendments before us, there are three areas that cause concern to one degree or another. First, Mr. Speaker, last year in Manitoba, we had introduced legislation which dealt with the problem of the handicapped. The amendments were introduced as a result of submissions that were presented to us by the League for the Physically Handicapped, and I think it was a forward step. And if I recall correctly, all members of this Legislature supported the amendments last year that were introduced as a result of the requests by the League for the Physically Handicapped. Mr. Speaker, it will be interesting to hear the response from the League of the Physically Handicapped on the proposed amendment which would provide for opportunity for a physical handicap to be dealt with in a pre-employment inquiry. Mr. Speaker, it is our view that the present provision, which provided for an exception if in fact that physical handicap was of such a nature as to prevent that person from conducting the job, was adequate provision in order to protect an employer. What we have here, Mr. Speaker, in my view, is an exception which will in fact weaken the position of an applicant that is physically handicapped in obtaining employment because of the provision which requires the addition of words "except with respect to any physical handicap of the applicant that affects or may affect his employment." I believe it wipes out basically the amendment of last year. I regret that, Mr. Speaker.

I will look forward to — and I hope that the Attorney-General has been in consultation with the League of the Physically Handicapped, because I know how important it was to that League last year, when we introduced legislation in order to protect them in these type of situations. That amendment was introduced after a lot of consultation and discussion, so that I hope that the Attorney-General, in introducing this amendment dealing with the handicapped, has attempted to ensure equal consultation with the physically handicapped prior to introducing an amendment which I fear, Mr. Speaker, may go a considerable distance in wiping out the advance last year in that respect, which would provide for adding race, religion, colour, age, marital status or political belief as a reasonable occupational qualification or requirement for a position or employment.

Certainly insofar as race or colour I can see absolutely no justification whatsoever for this amendment. The Attorney-General hasn't given to us any examples as to how race or colour could possibly be a reasonable occupational requirement.

Mr. Speaker, by opening up the door just slightly, even if it's for very very limited cases, I must say I can't see in what area those limited cases would apply, but to even open up the door slightly ajar is going to provide for so much opportunity for people to use that clause in order to discriminate on the basis of race, or religion, or marital status, or political belief.

And these were amendments that I thought that all members in this House were pleased to see adopted in this Chamber, not only in Manitoba but throughout the length and breadth of Canada such provisions have been included in human rights Acts. We weren't unique. The New Democratic Party wasn't unique in the Province of Manitoba. Conservative and Liberal Governments elsewhere in Canada introduced similar legislation.

So I worry, Mr. Speaker, about what appears to be not a strengthening of human rights legislation in Manitoba but a serious weakening of the fundamentals and the basics of human rights legislation in the Province of Manitoba.

Then we come to a third change, another backward move. Back in the pre-Autopac days of the private insurance companies, age, marital status, sex played a very large role insofar as the assessment of rates. To the extent, Mr. Speaker, that younger drivers paid \$800, \$900 compared to an older driver that might only be paying \$100 for the same type of coverage. And that was based actuarially on the fact that those from 16 to 18 years of age encountered possibly double the number of accidents than older groups in our society encountered.

So, on first blush you might say, "Well, that is fair, younger drivers should pay more in premiums. Let them pay their way." That's the way the private insurance companies reacted to the problem. But, Mr. Speaker, the problem with that type of reasoning is this: That if, for instance, and I don't have the figures with me, but if in each year of a hundred that are in the age group 16 to 18, eight are involved in an accident, compared to only four in the age group 40 and over.

What we are doing is saying this: The 92 in that age group of 16 to 18 are going to be penalized because within their particular group, or within their class, 16 to 18, there are eight that were negligent and were involved in accidents in the past year. Now, that's not fair. What we are doing is that we are taking an entire group and because they happen to fall into an age group we are going to penalize the vast majority in that group because there are a few within that group that are irresponsible and reckless.

Mr. Speaker, there are a number of ways of dealing with that. One, those that are irresponsible and reckless should be removed from the highways through the operations of the courts and the Motor Vehicles Branch, but not through the operations of Autopac or through excessive insurance premiums. No, if they are so risky and so dangerous to the highways, remove them through the provisions of the law and not through insurance.

So what we have here is an opportunity to widen what is already, Mr. Speaker — and let me place my personal opinion, and I believe it is an opinion that is supported by most on this side — that we wanted to reach a point where we could eliminate any differential. I don't like that surcharge that presently exists, that existed under the New Democratic Party Government, which assessed a higher rate for the younger driver. The younger driver should be charged exactly the same as the older drivers. Nobody should be penalized because of the group or class they belong to.

But, Mr. Speaker, the way that it is dealt with is that you increase the surcharges on those that are involved in convictions and accidents. Increase those surcharges so that the responsible ones pay more on their driver's licenses. If the maximum now is \$300 and a person has a bad record because of convictions and accidents, increase that to \$500.00. But let's not penalize all the innocents that fall within that group.

Mr. Speaker, if that isn't sufficient let's become a little tougher insofar as the reckless and irresponsible are concerned and get them off the roads and the highways through our Motor Vehicles Branch. So that is age, but then we don't stop here with age, we add sex, Mr. Speaker. And I believe the only reason that the female driver through actuary experience has a less driving hazard record than the male driver is due to the fact that studies have shown that the average female drives a motor vehicle 50 percent as much as the average male driver. It is not because females are — and the Minister of Labour isn't present to argue with me — but it isn't because females drivers are innately better drivers than males, but it is because generally they drive less, because they are not on the road as much as the average male driver. So that if you take females drivers as a group or as a class you will discover that their accident ratio is less.

Mr. Speaker, again we should eliminate that differential and deal with individuals as individuals, and not as part of a mass or part of a group. What you are doing here is treating people not as individuals, but you are treating them as numbers, you are treating them as part of a mass or part of a group. I thought that was a philosophy that the Conservative Party was wanting to move away from. You are moving right back into that type of philosophy that you have indicated you abhor and you are legitimizing that, treating people not as individuals but as one within a larger group or within a mass, or a number within a group. That is what you are doing with your amendment insofar as Autopac is concerned.

And then the most abominable change here is a change which would provide for dealing with drivers on the basis of marital status. We are going to, I suppose, and it must be intended for this reason, because Autopac at the present time, from my understanding, does not differentiate on the basis of whether you are divorced or you are separated or you are married or you are a widower or a widow. It does not deal with people on the basis of single or married. I don't believe, I can be corrected, but I don't believe that Autopac presently differentiates, insofar as rates are concerned, on the basis of marital status. So why are we introducing marital status here. I think I know why and I want the Attorney-General and the Minister of Highways to deny what I am going to say, because to me it is the only logical reason for them inserting the words "marital status" here.

They are going to add an additional surcharge for the single underaged driver. The single underaged driver will pay more than the married underaged driver. That is what they intend to do and that puts us right back into the pre-1970 period. That is what the intention is, otherwise there would be no reason to add the words "marital status" to this provision.

So again we are going to treat this situation and drivers not as individuals, not as individuals some of whom are good drivers and others are bad drivers: some of whom have had safety driving courses, some that haven't; some that drink heavily and some that don't; some who have bad driving records and some that don't. No, we are not going to treat them as individuals any longer. We are going to group together all those 16 to 18 that are single and charge them an extra surcharge. That is what I see down the road. And I would welcome a straight out-and-out denial from the Attorney-General or the Minister of Highways that that is intended. Because if they are prepared to deny, then I say to the two Ministers, delete "marital status" from this provision, you don't need it.

Now the only other reason would be, and I don't think that the Minister of Highways would be so ridiculous as to do this, although it has been done in insurance circles in the past, would be to differentiate drivers on the basis of whether they are divorced or not, or whether they are separated or not.

We are dealing now with family law and I don't know whether this has some relevancy to our existing family law changes. I don't believe that there is any intention along those lines, because that would be taking us back 50 years in insurance. I think what they are intending to do is to treat the single underage driver with a higher surcharge than the married underage driver, and they want to differentiate within that group. I think that's what is happening.

Mr. Speaker; let's deal with drivers as drivers. Let's deal with drivers as individuals not as part

of the group or the mass. —(Interjection)— So, Mr. Speaker, the member says, "Rural versus urban." I would be prepared to examine that situation, because what we were faced with in 1970-71 was reality versus an improved practice. The reality was that the private insurance companies had provided such a smaller rate for the farmer, for instance, than for the urban dweller, and we were faced with the argument — if the Member for Wolseley is listening — with arguments that we were going to triple the rate for farmers in the Province of Manitoba, because we were going to provide for flat rating, that we had to, within the Autopac provisions, provide for that sort of concession.

But again, Mr. Speaker, we should be dealing with individuals as individuals, whether they are farmers or ministers or lawyers, whatever they are, as individuals not according to occupational groups. I don't expect this government to make, nor would we if we were in government I think, make drastic change in that procedure. I want to be quite honest and frank with him, because it would be too great a change. It would be like starting to tax farm buildings and I'm not sure whether either the Conservative Party or the New Democratic Party are prepared at this point to undertake those types of moves. But I believe that we should not be widening these existing gaps. I do not believe that we should be increasing the number of classifications, the number of groups. That is what is indicated in this legislation, Mr. Speaker. There is an attempt to increase the number of groups and classifications rather than moving on the long term to a reduction in the number of groups and treating motorists as individuals and not as groups.

So that we have three areas in this legislation that are bad. One — that relates to the handicapped. I think we will hear from the League for the Physically Handicapped if they are aware of this bill in the Legislature. They may not even be aware. I have made arrangements just a few moments ago to make sure that they are informed, because I know how important the amendments last year were to the League for the Physically Handicapped in the Province of Manitoba. I want the Attorney-General in his summation to indicate whether he has consulted with the League for the Physically Handicapped before inserting this first provision dealing with handicapped in the provision, which I say weakens the provisions of last year.

Secondly, the occupational qualifications, I believe that is a step backward rather than forward. Insofar as Autopac what unfortunately is being attempted here I am afraid is a move or a trend towards widening and legitimizing a practice that we should, as legislators, be gradually trying to get rid of with the the objective in mind of treating individuals for what they are, individuals and not as part of a group.

**MR. SPEAKER:** The Honourable Member for St. James.

**MR. GEORGE MINAKER:** Mr. Speaker, I beg to move, seconded by the Honourable Member for Rhineland that debate be adjourned.

**MOTION presented and carried.**

### **BILL NO. 69 — AN ACT TO AMEND THE CIVIL SERVICE ACT**

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

**MR. BILLIE URUSKI:** Mr. Speaker, we have perused this piece of legislation on this side of the House, and I would like to indicate at the outset that we will not be opposing this legislation, the amendments made to The Civil Service Act, as proposed by the Minister responsible. We have some reservations about this legislation, and I would hope that whoever is taking notes for the Minister responsible for the Civil Service, I would hope that when she closes debate on second reading, that some of these reservations will be answered.

Mr. Speaker, the major thrust of the legislation, as I understand it, and upon this bill, is that the items that are shown in this piece of legislation have all been dealt with in the collective agreement. In other words, they are part of the bargaining process and have been negotiated between the union and management through the Management Committee of Cabinet, and the Public Service Negotiating Committee. Therefore, in order not to conflict with The Civil Service Act and the collective agreement, these sections are being removed. However, the reservation that I do have is, what may occur — and I would like to have some comments from the government — and that is dealing with the government's intention with respect to any employee who is hired and not covered by the collective agreement, and I would hope that that employee would not be and should not be subject to working conditions less favourable than those under the collective agreement. So that those people who the government hires outside of the collective agreement, and there are numbers within the Civil Service that are not hired within the collective agreement, that their working conditions should not be less favourable than those who are within the collective agreement.

We do know that the government now, as of last year, is bound by The Employment Standards Act, but there still can be variations which the employer may be able to ask the employee who is working outside the collective agreement to undertake, which he would not normally have to, had he or she been part of the bargaining unit.

Mr. Speaker, the government and the Conservative Party previously, continuously ranted and raved at the former administration about governing by regulations, and, Mr. Speaker, there is no doubt that with the removal of these specific sections in the legislation for employees that are governed outside of the collective agreement, the government will no doubt have to pass regulations and govern by regulations to deal with the employees who are outside the bargaining unit. So their arguments and storms that they raised in the past about governing by regulation, will indeed occur in this instance covering the employees outside the bargaining unit.

Mr. Speaker, with respect to the legislation — and the government's attitude towards the Civil Service in the last seven or eight months leaves much to be desired as to their pronouncement versus what actions they have actually undertaken with respect to their employees within the Civil Service. We have, for example, during the election campaign, where the Premier, the then Leader of the Conservative Party — I want to indicate where he, to his candidates, in the, I believe, Osborne constituency or the Fort Rouge constituency, Mr. Speaker, Mr. Hugh McDonald, who was the Conservative Party candidate in Fort Rouge constituency — he was the candidate. This letter, Mr. Speaker — I believe the members of the Conservative Party have it — is dated September 30, 1977, signed by Sterling Lyon, who was the office of the Leader of the Conservative Party, where at that time he indicated, and I quote from the second paragraph, and I will read the entire second paragraph of that letter, where he said:

"Quite frankly, we believe the public service has grown more quickly than is either necessary or healthy over the past eight years. However, any reductions in the numbers of public servants in Manitoba will be achieved by attrition. We have no intention of dismissing people who are doing a good job and conscientious job for the people of Manitoba."

That is the statement then of the Leader and now the Premier of this Province, where he told publicly to the people of Manitoba, through his candidates, in a letter that was published, that any removal of staff within the Civil Service would be by attrition only. Now we have statements by the Minister of Labour, the Minister responsible for the Task Force — everybody is making statements as to how many jobs people lost within the Civil Service over the past seven or eight months. And it ranges, Mr. Speaker, and it has ranged in the debate on the Estimates of the Civil Service, by the Minister indicating 1,700 and later denying it and indicating 1,300; the Minister without Portfolio hitting at 1,000, and various figures have been bandied about by the party of the day.

This is in direct conflict to what their Leader spoke during the election campaign in 1977. The Leader then said that there will be no one fired, it will only be by attrition, and we have the Minister without Portfolio saying that 1,300 civil servants lost their jobs. We have the Premier indicating, when the Minister of Northern Affairs abolished part of his Northern Affairs department, that 373 people lost their jobs. We have the Minister of Labour, who spoke to two reporters, who then denied speaking to those reporters, said that there were 1,700, and she denied giving those figures. She had the audacity of coming into this House, Mr. Speaker, and saying that she was not confused when in that committee she said she didn't know what those figures were, and those figures were very confusing even to her as the figures were bandied about in the committee and in the House.

So who was confused? If she isn't confused about those figures, then let's get those damn figures out in the open, and put them where we can all look at them. She's had three weeks, Mr. Speaker, to produce those figures — at least three weeks since her Estimates were over, so if she doesn't want to produce the figures as to what the numbers were and are in terms of the positions that were vacated in terms of being vacant positions that were eliminated versus the actual number of employees lost, I will put some figures on the table, Mr. Speaker. I will bring some figures out, and let the Minister of Labour and the Minister of the Task Force indicate to me what those figures really are.

And these figures, Mr. Speaker, they come from Statistics Canada, Public Finance Division of the Provincial Government, Bulletin No. 613-995-0718, and I have two individuals' names, who our research director spoke to, and I will give you some of the statistics, not like the Minister without Portfolio gave us this morning comparing September of one year to March of the next year, when we well know that the employment figures in the fall and late summer, in terms of casual employees in the parks and the highways in the public works areas, increases by even several hundred, I believe, within the Civil Service. So he was really comparing apples and oranges when he made the statements this morning.

Let's compare September 1976 to September 1977, as to the number of civil servants as reported to Stats Canada by the Provincial Government based on computer printouts provided by the province, which we are told — this question was asked repeatedly I've been informed by our research director



— includes contract employees as far as he was aware, and the information was supplied by the federal people. Now the figure within the Civil Service of Septeer 1976, that's going back a year, was reported at 15,368. Now, let's go one year or to September 1977, 15,336. There is a net reduction of approximately 40 from September 1976 to September 1977. Now let's compare March 1977 to March of 1978. In March of 1977, the figure that has been given to us was 14,090 from Stats Canada, and in March of 1978, as of the last payroll in March — now admittedly there may be some, I would think that probably some of those employees probably ended their employment in March, but I think the Minister of Labou should come out with those figures. But as of March 1977 compared to March 1978, the figure in March 1978 was 14,192 — not a decrease, Mr. Speaker, but an increase of 100 employees within the figures quoted.

**MR. SPEAKER:** Order please. The Honourable Member for Inkster on a point of order.1

**MR. GREEN:** Yes, Mr. Speaker, I speak rather on a point of order because the meer has been given figures from our research director, which he would not deliberately want to mislead the House. We are now advised that the March of 1978 figure includes casual employees, whereas the 1977 figure didn't, but we don't know how many casual employees were on staff at the government in March of 1978. I make this interruption, Mr. Speaker, because I don't want my honourable friend to be accused of misleading the House. The figures he got he got from the research director, which are from Stats Canada. We don't know how many casual employees were on in March of 1978. —(Interjection)— Well, you tell us.

**MR. URUSKI:** Mr. Speaker, if that is the case, I would want either the Minister responsible for the Civil Service or the Minister without Portfolio responsible for the disappearing Task Force, who doesn't want to answer questions in this House or likes to spin them off, to indicate as to what is the nuer of the casual employees that they had on staff.

But I venture to say, Mr. Speaker, with the point of order that was raised by my colleague, that the numbers of casual staff in March of any year, would be relatively low, because the nuers of casual staff will increase with the summer months, when they hire mainly students and casual people working on the highways, in the Public Works, in the Tourism, in Mines Branch dealing with fire protection. That is the months roughly from June to October, that is when the casual employees are increased, if that is the case, Mr. Speaker. But those are the numbers, and I've said it before, that's the nuers game being played by the Conservative Party of Manitoba.

The Party that said, and the Leader said that the Civil Service has grown more quickly than is either necessary or healthy over the past eight years, spoken by the Leader of the Conservative Party, and they now claim that they have eliminated so many people, they have put so many people out of work, when I believe, Mr. Speaker, the exact opposite is true. They haven't reduced anything —(Interjection)— The positions have been vacant by the previous administration —(Interjection)— Yes, Mr. Speaker, I've mentioned this figure. The Minister without Portfolio has indicated presently that the figures of within the Civil Service from September 1976 to March of 1977 were decreased, were reduced, by 1,300. But just previously to that, the Minister responsible for the Civil Service said 1,700 when she was interviewed by two reporters, who she later —(Interjection)— by his calculations.

Mr. Speaker, the figures used by the Minister without Portfolio, that have been given to me, indicate that because of the vacancies within the Civil Service, the jobs that were not filled by the previous administration, not people fired, that 1,300 positions, 1,300 staff man years, were reduced by the previous administration. That's what he is really trying to tell the public but he is trying to say that the Conservative administration has really reduced these positions.

You know, if they are so intent on showing the public what a fine job they have done in cutting the Civil Service —(Interjection)— The Member for Pembina says that I have been going around in circles. Well, Mr. Speaker, I would want the Member for Pembina to get up and enter this debate and tell me how I have gone a complete circle. I want to know what the figures are because they are your figures, they are not my figures. I haven't said that you have reduced — first place 700, then 1,100, then 1,300, then 300 firings or 373 firings, then 1,700. Those are the kind of figures that have been banded about in the last six months, by the two Ministers, the Minister without Portfolio and the Minister responsible for the Civil Service. Those are the two Ministers who now say, or at least the Minister responsible for the Civil Service says she is not confused, but in committee she gets up and she says, "I am totally confused; I can't give you those figures. We will compile those figures and bring them forward to you." And we agreed, we agreed that we would wait for those figures. All we have received is assurances. I want those figures, Mr. Speaker. I don't want to be banting about, all these kind of figures. Let them put their record straight, provide those figures into this House, how many staff man years, exactly in the form that the questions were raised during her Estimates process. Those are the kind of figures that are desired by this side of the

Mr. Speaker, the intent of the Conservative administration, I believe, was to mislead the public of Manitoba to believing what? That the Civil Service was overbloaded, was too large, that if they cut enough staff within the Civil Service that they could give a tax cut to the people of Manitoba. That was the formula. Fire a number of people and give a tax cut. People believe that if you fire enough people you will be able to give the people of Manitoba a tax cut.

So what do we have? We have tax cuts for the wealthy plus the numbers game that we have had over the last several months, equals — what does it equal to? Cuts in program for the needy, a retrenchment in the health care field and in legal aid and in many social service programs. That's the kind of equation that we have. We have a numbers game floating around that nobody knows exactly what has happened. The Minister responsible for the Civil Service has undertaken, although she said she wasn't confused in this House, in the committee she couldn't give us the figures. It's been several weeks since then, so she should produce those figures and, even contradict and prove that I am wrong. I am prepared to accept that what I have said may be wrong but she has the figures in her possession; I don't. She is now the Minister responsible for the Civil Service. You get those figures and clear them up.

**MRS. PRICE:** Yes, sir.

Mr. Speaker, the tactic of the Minister responsible for the Civil Service has been, and she uses it very well, that everyone is against her, everyone on this side and the media is against her. So that if she receives enough sympathy, that everything will be okay. I suggest to the Minister responsible for the Civil Service, if she kept her toes out of her mouth, she wouldn't go around denying statements and making statements and not getting to the problem that she has gotten. You know, as I've stated, she's even denied meeting with people whom she met with in committee, with reporters.

**MRS. PRICE:** Very original, Billie.

**MR. URUSKI:** No, Mr. Speaker, it's not very original. If the Minister would stop making statements, several kinds of statements, and even confusing members on this side in committee, all she has to do is check Hansard, and I was in that committee and so were those reporters, and you didn't even talk to them. They quoted your figures, not my figures, Mr. Speaker.

The Conservative Party, and I don't know whether there is some collusion between the Conservative Party and the present president of the MGEA, but I have yet to see a president of a union over the last several months get up and be as much of an apologist for the governing party as we have had shown to us in the last several months by the president of the MGEA. I don't know whether this legislation was a move by the Conservative Party to ply him by really saying to him; Look, you were a nice guy, we sucked you in to come and work for us on the Task Force, to be really the whipping boy on behalf of the employees so that we could do away with all those employees that they've said they've done away with. — I'm using their figures now. — And now to placate you that we sucked you into this Task Force, we are going to give you a few amendments to the legislation that we have now been prepared to bargain with.

Well, Mr. Speaker, if the government was really intent and really serious about moving and placing the employees within the government union, as any other working force within this province, they could have used all the preparatory work that was done last fall in terms of allowing the MGEA to be treated as any other union within this province. The spade work was done. It's all ready for you. If you want, if you were really intent on dealing with the Civil Service, with the MGEA, as the MGEA said to us they were being dealt with by us as second-class citizens, if you were really intent on putting them as first-class citizens, you could have brought in the amendments because the preparatory work was already there, if you were serious.

But I believe, Mr. Speaker, that a year from now you will see a different story. I believe you will see a different story within the Civil Service and I hope I'm wrong but I have a feeling that if there is some move afoot within the government union for some fairly strenuous action in terms of their bargaining position, you will see in this House legislation banning any strike action, creating essential services and limiting the right of free collective bargaining within the government union. I want the Minister of Labour to indicate to me whether she has any intentions of doing that if the union becomes as I would say, in their words, too militant within the Civil Service, whether they will not bring in such legislation.

So, Mr. Speaker, these amendments contained within The Civil Service Act, as I've indicated earlier, have been those that have already been included in the collective agreement and there is no doubt that they are pro forma in terms of being put through this Legislature because there is no need for having them to be in conflict with what is already contained in the collective agreement.

**MR. SPEAKER:** The Honourable Minister responsible for the Task Force.

**MR. SPIVAK:** I listened with interest, Mr. Speaker, to the comments of the Honourable Member for St. George and as a person who, I believe, at one time was the Minister in charge of the Civil Service, or responsible for the Civil Service, it amazes me how he can go through the mental gymnastics that he's going through to try and somehow or other dispute the information that's been supplied from this House with respect to the employees and the policy of the government with respect to restraint during this period of time.

Now there is no question, Mr. Speaker, we are dealing with a matter that is complex, that is in fact been capable of manipulation, and I guess there could even be a suggestion that there may have been some manipulation with respect to the figures in the past. Mr. Speaker, we have tried to present accurate information and we have dealt with this the best way we can and I am prepared to say in ofront of the honourable member that the information that has been provided by the government that, in fact from October, when the government took over until the present time, that there has been an approximate 10 percent reduction of permanent civil servants, term or temporary employees and contract employees, is correct.

**A MEMBER:** Bodies?

**MR. SPIVAK:** Bodies. Now, it's very important because there is an impression that what we are talking about is positions. Now those positions were in fact vacant before and thus in effect we are taking credit for positions that were vacated before. I want to tell the honourable member that that is not what we are saying. —(Interjection)— That is not what we are saying, Mr. Speaker. We are saying that, with respect to the people that we are talking about, we are talking about permanent employees, that is people who were in the category of permanent, temporary or term and contract.

**MR. MILLER:** May I ask a question?

**MR. SPIVAK:** Yes.

**MR. SPEAKER:** The Honourable Member for Seven Oaks.

**MR. MILLER:** Mr. Speaker, I wonder whether the Minister without Portfolio, how he can justify the fact that during the course of the Estimates, in every department, the statement he is now making was denied and contradicted by his colleagues.

**MR. GREEN:** That's right.

**MR. SPEAKER:** The Honourable Minister.

**MR. SPIVAK:** Mr. Speaker, I can only refer to the information that I have here and to indicate that that is not the case and I've been present at Management Committee meetings dealing with this and I have some sense of what has happened. There has in fact been a reduction. But there has been something I think that's fairly important, Mr. Speaker. This, of course, was one of the policy initiatives that we talked about. There were many people who were on contract that were in fact fulfilling positions that were realistically permanent positions within the Civil Service and many of the positions that had in fact been vacated were filled with those who were on contract, Mr. Speaker. The reason for it was to bring them within the Civil Service and to bring them within the government. It is not the policy of the government to abuse, or at least to handle the contract relationship in the way that the previous government did, in the way in which we believe that they abused the system.

Now the honourable members opposite may argue all they want as to whether they did or did not abuse the system and that will be a value judgment but I suggest to you, Mr. Speaker, that in terms of the rise of contract and on the basis of the examination that we have made, we believe that in fact the system was abused and our intention was, in those cases where the people were really fulfilling a permanent position, to bring them within the system so that in effect they would be brought within the permanent Civil Service.

I have to tell the honourable member, if he is concerned about the head of the MGEA and his attitude to the government, I think one of the things that the MGEA are happy about is the process by which we have done this because, Mr. Speaker, they were very unhappy with the government before and I think they probably made their representations known that they did not like the contract being used as a means to subvert basically the union agreement that they had with the government.

So to that extent, Mr. Speaker, so the record will show, we have attempted to do this and this may very well be the explanation. But I want to assure the honourable members that that reduction has taken place.

Now, we have some confusion at this point because we're using various kinds of statistical data and, Mr. Speaker, it's very important to understand that Statistics Canada gets the information from the government and that, in turn, in dealing with it, they deal with the various categories but not all the categories of those people who are employed within the government. What is necessary is for us to understand it and understand that correctly.

Now basically there are five categories within the government. There are permanent civil servants, there are term or temporary employees, there are contract staff, there are departmental employees and there are casual employees. Mr. Speaker, when we deal with this we deal with numbers that can vary depending on the seasons and depending on the nature of the work. We've already talked about that. In the case of Highways or in the case of the Parks Branch, you have departmental employees that come in within a certain period of time, depending on the season, and withdraw.

In the case of casual, Mr. Speaker, who are people who essentially would be seasonal hourly, daily shifts who do a certain amount of work. As an example, in the case of Public Works where there may be a movement from one office space to another or some additional requirement, there may be the need for Manpower to supply people who help in the movement, and they would come on the payroll at that time as casual. There will be variations.

However, Mr. Speaker, there is one thing that I should point out, that even in the case of casual, there have been examples brought to our attention where in fact there wasn't an abuse. We have casual employees who, realistically under the agreement with the MGEA or under the understanding, were to be only there for two pay periods, that have been there for several years. So in effect what happens is that the casual people were there for a longer period than two pay periods and in effect were realistically within the system. —(Interjection)—

**MR. SPIVAK:** Well, Mr. Speaker, you know the problem that we have with the honourable members is that I don't expect them to accept anything because, Mr. Speaker, what they are trying to say and they are trying to prove is that somehow or other we've been able to hold a restraint position and we have not been able to do that by a reduction of the Civil Service and in effect. Well, Mr. Speaker, that is hogwash and I've tried to indicate that to the honourable member. It's absolutely hogwash. The statistical data they furnished does not support any of that position at all and I have tried to indicate that in the information that's been supplied and we tried to indicate that.

You know, the honourable member who was a former member of the government, should know. He will get all that information. The Honourable Minister of Labour will furnish that and when that information is furnished it will prove what has been said. The problem with the honourable member is that he won't accept that. He won't accept it. —(Interjection)— Well, when he says contradict. You know, there is confusion because in one case we will talk about permanent Civil Services in term and contract; in other cases we will talk about permanent civil servants, term and departmental employees; in another case we will add casual and thus, as a result you have a variation in the figures and the numbers. Mr. Speaker, all one has to do is look at the Civil Service Report of the last few years, and one will sense that not all the categories are included in those amounts that are presented, not at all, and as a matter of fact, they only represent one part, but not the whole part of the total picture.

So whether the honourable members themselves are prepared or not to acknowledge, I suggest to you that there has in fact been a 10 percent reduction. I want to indicate in doing this what the procedure of the government was. At the time that the government took over there was in fact a freeze put on the employment or the filling of positions. There is a normal attrition that takes place every month, and attrition may be higher during the seasonal position, where in fact there could be an attrition of people because of the nature of the seasonal work, but the attrition itself that we are referring to and the attrition that we dealt with, was attrition with respect to permanent, temporary, and contract, and the figures that we've talked about are in that. We have not talked about an attrition with respect to departmental, and we have not talked about an attrition with respect to casual, although I suggest that that attrition has occurred as well, and they are not included in the figures that we have represented or the 10 percent reduction that has been projected at this present time.

Now, Mr. Speaker, we had approximately, at the time that we took over government, in October, Mr. Speaker, 1,146 people who were on contract, and here just for the record because I think it is important for the members to understand that, I'd like to deal with contracts as they existed within the government starting from September 1973.

In September 1973, Mr. Speaker, there were 160 people on contract within the government. In July of 1974, there were 487; in December of 1975, there were 825; in April of 1976, there were

874; in December of 1976, there were 875; in May of 1977, there were 889; in October of 1977, there were 1,146. Now, Mr. Speaker, you see the rise that occurred, and it's an interesting thing that you see the rise that occurred from May of 1977 up until October, 1977, which was the most significant rise, Mr. Speaker, except for the period of July 1974 to December 1975. . . —(Interjection)—

Well, Mr. Speaker, the problem is, if they were in Health, and if they were in Continuing Education, and if those positions, Mr. Speaker, were positions that were required, they should have been brought within the Civil Service. Now, Mr. Speaker, they were not — (Interjection) — Mr. Speaker, I want to say to the honourable members, the rise occurred, in my opinion, based on what I can see, simply because the members opposite did not want them included within the Civil Service because they did not want in fact to show a rise in the Civil Service. There's no question that in the mood of the public today and the mood existed prior to the election, and it was expressed in the election, there is a concern with the growing Civil Service, and there was the debate that took place in this House over and over and over again, between the members when they were in government and the members who were in opposition who are now government, as to the size of the Civil Service and as to the right size of the Civil Service.

The former First Minister, who is now Leader of the Opposition, continually kept saying, well, we have to deal with this not in the context or perspective of Manitoba, but in the context of all of Canada. Proportionately, are we higher or lower, and if we're not higher or lower, then we're in the mean which is the basic position, therefore for that reason, we're okay. But, Mr. Speaker, all that said was maybe that the other governments were not okay, and all that said, is that maybe there was a rise that should not have occurred overall.

Now, Mr. Speaker, when we took over, we applied a restraint program, and we tried to through a process of attrition, reduce the size of the Civil Service. That meant that when positions became vacant, and I want to again stress this because when the Minister presented her Estimates, there were several references made by the honourable members that what we were dealing with were positions that were vacated before and somehow or other those positions were vacated before, the Conservatives are now taking credit for. Mr. Speaker, that is not the case. We are dealing with bodies and not positions and I think it becomes very important and I want to state that that is not the case. The attrition we are dealing with is the attrition that occurred from the time the government took over and there is a normal attrition. People leave, either because of retirement, because of death, because of illness, or because they enter another job in the private sector in Manitoba, or because they leave the province for public sector or private sector positions. There is always movement. There was in fact the disestablishment of the Planning and Priorities at the time that we took over government, but if I'm correct on this and I think I am, with the exception of those who came up immediately in terms of contract, there were only two people who in fact were laid off, and the remaining, Mr. Speaker, were in fact placed under the department in which they had been working within the Planning Secretariat. The principle that we followed there and what we hope would be the procedure to be followed, was, Mr. Speaker, that those in the Planning Secretariat who were working within a particular department, would be brought under the Minister who would be responsible and that between he and his deputy, they would make the decision, Mr. Speaker, with respect to whether the people should remain on in their position, either within the Civil Service as a permanent position or if they had been contract to be transferred from contract into the positions that would be available.

Mr. Speaker, it was going to be necessary for us at that time to first determine the budget that we were going to have, to then be able to determine the established SMYs that we would have, and then on the basis of that to be able to determine who we could afford to maintain and keep, or not. And that would be dependent, Mr. Speaker, on the qualifications and the work activity and the contribution that the members in the Planning Secretariat would be able to make within the departments. So that, Mr. Speaker, with the exception of the contract terminations that occurred during the period of time until March, and with respect to the attrition that occurred because of the people leaving, those were in fact the numbers that were reduced.

Now, Mr. Speaker, we of course, in some situations, did in fact lift the freeze, and in fact hired or retained people on contract, or hired people that were required, or at least offered the positions available. Now I think, if the members opposite will recall, that in the first session of the Legislature, there was reference made to a number of people who were departmental employees who were working in mental institutions, who in fact were in significant numbers, whose functions were being carried out were really normal functions of the operation, who in fact received a notice prior to the freeze being lifted in that area. The freeze was then lifted in that area, Mr. Speaker, and they were retained.

**MR. SPEAKER:** May I again point out to all members of the Legislature it is not permitted to read newspapers within the Chamber. The Honourable Minister.

**MR. SPIVAK:** Mr. Speaker, as a matter of fact the only thing one could believe is what is said in this House, and from my point of view, all you can believe is what's said on this side. —(Interjection) — Well, I would hope so.

Mr. Speaker, what I am trying to point out is that the freeze applied and as positions were vacated they were not filled with few exceptions. But there were certain situations where we had to lift the freeze when in fact we found that there were a lot of people categorized as departmental employees, that in effect were fulfilling a function that was really permanent in nature and there were certain situations that were brought forward in the House; they were dealt with. And so that the attrition occurred, Mr. Speaker.

Now at that point, Mr. Speaker, we then had to —(Interjection)— I'm sorry? —(Interjection)— Well, Mr. Speaker, that is not attrition. The honourable member mentions the lifeguards. That is not attrition, because I want to now go through the procedure so that they will understand correctly how we handle it and while I am sure that I am not going to convince them of the legitimacy of it, I want to put it on the record because it's necessary, Mr. Speaker, because we've tried to handle this in a proper manner and I am sorry that the honourable members are not prepared to accept it, but on the other hand, I can understand the reasons why they are not prepared to accept it.

Mr. Speaker, we then put a freeze on the hiring; there was a period of attrition in which people left. In very few cases those positions were offered, those positions were held. We then began the period of dealing with the Estimates, and here we went through the Estimate Review dealing with it in the same way that the honourable members, at least some of them, would have done in dealing with their Estimates. We dealt with the dollars and we dealt with the established SMYs and we dealt with what procedures we would follow in determining ultimately what our final estimates would be before we came into the House, Mr. Speaker. And that was a process which took several months and several reviews and in the course of it, what happened is, there was a finalization of the agreement of the amounts and the established SMYs that would be allowed, and by that time, Mr. Speaker, some of those positions had in fact been vacated through attrition and therefore, Mr. Speaker, were entitled, once the Estimates were agreed on, to be filled. Further, Mr. Speaker, they were entitled to be filled either by those people who were within the contract positions whose contract had terminated and were going to come within the system, or those who were the departmental or casual employees or in many cases, where the positions themselves would be offered.

Mr. Speaker, that process was not finished until close to the beginning of the session, and so that the honourable members should recognize that the period of attrition which was the major period of attrition, occurred between October to November, November to December, December to January, January to February and February to March. Now, by the time we entered March, we had then the problem of dealing with the end of the fiscal year, where in fact there was money voted for so many positions but not for all of the positions. Mr. Speaker, we also remember the fact with respect to the contract employees, in the main, certainly not all but in the main, most of the contract employees were to the end of the fiscal year. And so that without getting into the numbers that were, they were a substantial number, and therefore the decision was going to have to be made of those people who were to be continued. In some cases the decisions were made on the basis that there would be an extension of the contract simply to allow the time to take place whereby the person who was on contract could then apply for the position that was now going to be made available because it had been approved in the Estimate process, so that they could cope within the system, so extensions were allowed in some cases for three months, in some cases for six months, but in many cases, there was a determination the contracts would not be renewed because, Mr. Speaker, whether the honourable members would like to acknowledge or not, there were a substantial number of people on contract who were essentially handling political matters, who were realistically political appointments, who in effect were dealing in matters which were political in nature and whose function was irrelevant to the operation of the government —(Interjection)— Mr. Speaker, they existed in the various departments. Yes, Mr. Speaker, they did, they were all over — they were all over, Mr. Speaker, and the honourable member doesn't have to indicate that.

One of the interesting things to me, Mr. Speaker, and I have a fair contact with the people in the Civil Service, and I know those who have been active within the New Democratic Party, and, Mr. Speaker, I can speak with some authority on that. They have told me and spoken to me, "Well, for the last two years, although I was on contract, I wasn't doing this, I was doing this." And they basically . . . There were people who were prepared to acknowledge that their term would expire because in effect they were political appointees. Some of them were fairly angry that they had not been allowed to be brought within the system, but nevertheless that was something that they had to deal with with the former government, not with ourselves.

Now, Mr. Speaker, in addition, we then had the situation of the people whose positions had in fact become redundant because there had been reduction or a reorganization had taken place,

where several departments came together and in effect there appeared from our point of view to be a duplication of effort and in the amalgamation that took place, there was no requirement.

Mr. Speaker, as a result, there were the pink slips that were given. Now it's interesting to note, Mr. Speaker — I would like to finish if I may, and then allow questions. It's interesting to note, Mr. Speaker, that with respect to all of this, the honourable members have taken a position that we are firing, that we are laying off, that we are reducing, that there is high unemployment and that we to a large extent are a cause of it. The honourable members have basically said that publicly, outside this Chamber, in the Chamber, from their seat, with respect to all the things that have happened. And that's very interesting, Mr. Speaker, because now they are trying to claim that we didn't do that at all. Mr. Speaker, you now, it's pretty hard to have it both ways. In fact, you can't. Now, Mr. Speaker, what the honourable members are doing though, and this is the interesting part, because they know that there are several categories of employees, they are mixing them up and talking about different figures and saying this proves that and this proves that. You know, Mr. Speaker, that's really what happens.

Now, Mr. Speaker, in the same period that Statistics Canada provides its figures, it doesn't . . . you see, Mr. Speaker, let me go over the categories so we understand it. There are civil servants, that is within the Civil Service, they're included; there are term, they are included; contract are not included and the honourable member disagrees with that but that is the information I have and that information comes, Mr. Speaker, from the people who supply the information to Statistics Canada, and I have to go on that basis. Departmental appears to be included although the honourable member, I think, just said that departmental wasn't. Casual is not included. —(Interjection)— Just if I can finish. Casual is not included, nor sessional, hour or daily is not included. So, Mr. Speaker, we try to make a rough estimate and I just, so the honourable members would understand this, that if you include those figures at any given period, you realize of course that the numbers will vary. And so the confusion that occurs, Mr. Speaker, is that people are using different figures.

Now let me just explain something. If in fact we recognize that there were contract employees of approximately 1,146 at the end of October, 1977, and if, as I have represented, — and that is my information and I can only provide the House with the information that I have, that's my information — if that is not included and you add 1,146, that jumps the number substantially. And if, as an example, Mr. Speaker, you make a comparison between say December of 1976, as opposed to October of 1977, it was 875 to 1,146, then you have a jump of 300 right there. So there will be confusion in those figures.

If, as an example, Mr. Speaker, you were to include casual, and I can only take, Mr. Speaker, a figure of casual that was included as of the payroll at the end of February, or at the middle of February, and this is the only information that I had that I was able to get right away, and you were to add to that, that's 449, Mr. Speaker. So there are 449 people that are not included in Statistics Canada but in fact were paid. If you included, Mr. Speaker, those who were sessional, as an example right now, who are on hourly or daily, that would include 904. So, Mr. Speaker, what I'm saying to you is, if you start adding all these numbers and you start adding to Statistics Canada or taking away, what you get is a confusion. So, Mr. Speaker, I acknowledge that that can in fact cause it. But I want to now indicate very directly, because I think it's important, Mr. Speaker, for the record and I believe that the honourable member will in fact furnish the information.

We will deal now, Mr. Speaker, so that there will not be misunderstanding in terms of total figures. Between October 21, 1977 to May 5, 1978, Mr. Speaker, in civil servants there were 11,073, October 21, 1977; on May 5th, there were 10,815. In term and permanent there were 541; on May 5th there were 432. Term in term were 999 in October; there were 716. Contracts, 1,146; there were 461. The total of civil servants, term and permanent, term in term, and contract, Mr. Speaker, for October 21st was 13,759. As of May 5th, 1978, there were 12,424. Mr. Speaker, the reduction, was 1,335. —(Interjections)—

Mr. Speaker, there was the same reduction in the previous year.

**MR. GREEN:** That's right.

**MR. SPIVAK:** That's right. Okay. Mr. Speaker, I want to indicate to Mr. Speaker, so that we can try and compare apples to apples, that with respect to contract, Mr. Speaker, with respect to contract, —(Interjection)— Mr. Speaker, with respect to contract, there was 1,146 reduced to 461. Mr. Speaker, in December, 1975, there were 825 people on contract; in April of 1976, there were 874 people on contract; in December of 1976, there were 875 on contract; and May of 1977, there were 889. Now, Mr. Speaker, those figures are almost similar over a period of a two-year period. Here there were 1,146 reduced to 461 and the honourable members say that it was the same and this was the pattern every year.

**MR. GREEN:** No we don't.

**MR. SPIVAK:** Mr. Speaker, that was not the pattern. There has in fact been a reduction, it's been done by contract, it's been done as a result of attrition with respect to the Civil Service, with respect to the term positions in permanent and in term. The honourable members can use what other figures they want, they can holler, they can do all the theatrics they want, there has in fact been a 10 percent reduction with respect to those who were permanent, term and contract within the government and, Mr. Speaker, we are prepared to stand by that. And these records, Mr. Speaker, were supplied by the very same people who supply the information to Statistics Canada.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. GREEN:** Mr. Speaker, I have two minutes and then I will take the floor. This morning, Mr. Speaker, talking about confusion, this morning the Honourable Minister came in and said that in September of 1977 there were 15,336 employees and in March of 1978 there were 14,192, which showed a reduction of over 1,000 employees. This morning, Mr. Speaker, he compared September of 1977 to March of 1978 and gave that as a comparison of apples and apples. Why did we just hear a 30-minute, long-winded speech, trying to confuse because we showed him this morning that in September of 1976 there were 15,368 employees and in March of 1977, 14,090 employees which, by his definition, Mr. Speaker, the New Democratic Party reduced the Civil Service by 1,300 people between September of 1976 and March of 1977. Mr. Speaker, I'm using his form of calculation.

He came in here this morning, said that I gave wrong figures, and then repeated the figures I gave, that in March of 1977, in accordance with Statistics Canada — and I gave him the source — 14,090 people. In March of 1978, 14,192 people, an addition of 100 people. That's all that I said yesterday. I also showed members of the media that there were 15,336 in September which I had ignored because you can't compare March to September. Anybody who lives in Canada and has had to go outside knows that there are more people employed in September, Mr. Speaker, than there are in March.

But the honourable member, the honourable member who doesn't want to confuse, came in this morning — and he will have to read it back to himself in Hansard — and said that if you take September of 1977 you will find 15,336, which figure I had yesterday. Take March of 1978, you've got 14,192 . . .

**MR. SPEAKER:** Order please. The honourable member will have 38 minutes when this item next comes up on the Order Paper.

The Honourable Member for Rock Lake.

**MR. EINARSON:** Well, Mr. Speaker, before you adjourn the House, I have some changes that I would like to make on Statutory Regulations and Orders. I would like, by leave of the House, would like to have the name of Mr. Gourlay replaced for Mr. Domino; the name of Mr. Anderson replaced for Mr. Kovnats; the name of Mr. Spivak replaced for Mr. Orchard.

On the Agricultural Committee, I would like the name of Mr. Ferguson replaced for Mr. Driedger.

**MR. SPEAKER:** Are those changes agreeable to the House? (Agreed)

The hour being 12:30, the House is accordingly adjourned and stands adjourned until 10:00 a.m. tomorrow.