

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Wednesday, May 28, 1975

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 50 students, Grade 11 standing, of the Crocus Plains Regional School. These students are under the direction of Mr. Grambo. This school is located in the constituency of the Honourable Member for Brandon East, the Minister of Industry and Commerce. On behalf of all the honourable members, I welcome you here this afternoon.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements or Tabling of Reports. The Honourable Minister of Tourism and Recreation.

TABLING OF REPORTS

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Mr. Speaker, I would like to table the copies, for honourable members, of Regulations Governing Transient Accommodation Facilities.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills. The Honourable Minister of Tourism.

INTRODUCTION OF BILLS

MR. TOUPIN on behalf of the Minister of Education, introduced Bill No. 58, an Act to amend the Public Schools Act.

MR. LLOYD AXWORTHY (Fort Rouge) introduced Bill No. 60, an Act to amend The Condominium Act.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we go to questions, I'd like to direct the attention of the honourable members again to the gallery, where we have ten students of Grades 11 and 12 standing, of the Duke of Edinburgh School under direction of Mr. Wiebe. This school is located in the constituency of the Honourable Member for Churchill. I welcome you.

The Honourable House Leader.

CORRECTION RE MINING ACT

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Yes, Mr. Speaker, on a point of information, I indicated yesterday that my officials were in the gallery and if I made an incorrect statement relative to the Mining Act, I would correct it as soon as I was aware of it. I had been advised, Mr. Speaker, that the processing allowance minimum of 15 percent is available even if there were no processing facilities. That was my advice, and the official who gave it to me confirmed it. Because there was a difference of opinion between him and others, they've obtained a clarification and that statement is incorrect. The processing allowance of 15 percent is available regardless of the value of the processing facilities in Manitoba or whether it has been completely written down, but it is not available if there are no processing facilities.

I made that statement and I accordingly wish to correct it. That was my advice and the official who gave it to me confirmed it.

MR. SPEAKER: Thank you. Questions. The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, my question is to the Minister of Mines and Natural Resources and it relates to documents released this morning by the Prairie Environmental Defense League regarding the Garrison Diversion Project. Was the Minister aware that in the words of the U.S. Assistant Secretary, Mr. Stam, the Land and Water Resources, that is was the government . . . ?

MR. SPEAKER: Order please.

MR. SPIVAK: Well, Mr. Speaker, I'll frame it another way. Was the Minister seized

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(MR. SPIVAK cont'd) of the knowledge, or the government seized of the knowledge of the Assistant Secretary for Land and Water Resources that U.S. environmental analyses were to be informal and not made available to local interests nor to the Canadians?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, a reporter from the Winnipeg Tribune approached me in the hall yesterday and indicated this letter to me, and at that time I indicated that I didn't believe that there was anything in it that was new, but I did not read the letter carefully. I am now advised, Mr. Speaker, by the department that that particular reference, the particular communication is something that our department was not aware of, but I do not believe it changes what the officials in North Dakota have told the Province of Manitoba, mainly, that there does not have to be a decision with regard to the Red until 1977, and with regard to the Souris until 1980, and if it does, Mr. Speaker, then we will be in a much superior position before the International Joint Commission because that assurance was given to us, and if there is any question about that, then our position before the Commission will be strengthened.

MR. SPIVAK: Well, I wonder then, to the Minister of Mines and Natural Resources. In view of the fact that the government was not aware of the memorandum, and the memorandum would demonstrate a case of bad faith on the part of those upon whom the Minister has been depending, is the government now prepared to take a firm line with Ottawa and the U.S. authorities in opposing the project?

MR. GREEN: Mr. Speaker, the government has taken a firm line with regard to the opposition of the project. That has been made plain to the honourable members on several occasions. The government started to take a firm line after the project was commenced, and despite no line having been taken by the Conservative administration during the commencement of the project. The government has taken a firm line and will continue to take a firm line. I am not going to jump to the conclusion of bad faith, but certainly that will be dealt with with the Minister of External Affairs, Mr. MacEachen.

MR. SPIVAK: I wonder, Mr. Speaker, to the Minister, since both his position and the government's position throughout has been that Manitoba need not take, or need not undertake an impact study so long as we could depend on those being done elsewhere. I wonder if the Minister could now indicate what course the government intends to take with respect to the environmental impact studies now that the position of the Manitoba government has been shot down from under them by the U.S. Government.

MR. SPEAKER: Order please. Order please. The total question is argumentative. I am sure the Honourable Leader of the Opposition is aware that he is not on the floor during question period to create a debate, but to ask for information, and I am going to have to have a closed eye to the Honourable Leader of the Opposition if he is going to persist in this. Now, I have asked him a number of times, and consequently, I have to allow the Minister to answer and we have a debate, which is very unfair to the rest of the members because we do have a time limit on the question period at the present time. The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, the question of the Honourable Member is a total and knowledgeable misrepresentation of the position of the Government of Manitoba. I have never taken the position that no studies are necessary as long as the American studies are taking place. I gave that to my honourable friend in writing. I gave it to the House. I said that we would want the American studies to confirm our position - which they have done - but we would be doing our own monitoring of their studies, and any other studies that are necessary to confirm our position.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD CRAIK (Riel): Mr. Speaker, I direct a question to the Minister of Mines, Resources and Environmental Management on the same topic. Can he confirm that with the studies indicated in the report referred to by the Leader of the Opposition, that the study completions for the development of the Velva Canal, the one affecting Canada, could be completed by June 1976, and presumably could be ready for the beginning of work some time shortly after that?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, I am not aware that the information that has been referred to by my honourable friend confirms that. All I can confirm is that we have in writing a communique which was done in the presence and with the authority of the United States State

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(MR. GREEN cont'd) Department, that no decision has to be made with regard to an installation that would affect the Red until 1977, no decision would have to be made with regard to installations affecting the Assiniboine until 1980. If in fact that is wrong, then, Mr. Speaker, we are on much sounder ground than we would ever have been had we not received that communique in writing, and that will be dealt with as a matter of international affairs.

MR. CRAIK: I have a supplementary question, Mr. Speaker. Can the Minister indicate whether if this matter is before the I.J.C. whether that, being before the I.J.C. automatically or by agreement puts a freeze on the activities of the project.

MR. GREEN: Mr. Speaker, it would put a freeze on any or, I would expect for practical purposes it would put a freeze on any construction that would necessarily link the project with the Red or Souris Rivers, but we have already received an assurance from the State Department that no construction affecting the Souris and Red Rivers was then under way at the time of the United States State Department note, nor are we aware that that situation has changed, and we have been assured by the State of North Dakota that it has not changed. Now if in fact these United States and North Dakota assurances are found to be faulty or misrepresented, which I don't jump to that conclusion, then that would put Canada in a much better position before any International tribunal or domestic tribunal than it would have been had these assurances not been obtained. And it was our activities, and our method of diplomacy that received these assurances.

MR. CRAIK: A final supplementary, Mr. Speaker. When the Minister refers to the fact of having seen the documentation I would ask him whether he's in possession of correspondence from the Bureau of Reclamation, the Department of the Interior, dated April 25, 1975, that mentions in its second last paragraph that the consideration of the request for funding on the construction of the Velva Canal can be completed by June, 1976.

MR. GREEN: Mr. Speaker, as I heard it I do not believe that I have that piece of correspondence, but I cannot assure the honourable member that that is not correct. I'd have to go back to it. But what I heard him saying is that consideration for funding will not have to be completed until 1976. I gather that deals with the funding of the program not the construction of the program.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I direct my question to the Honourable the Minister of Urban Affairs in his capacity as senior member of the negotiating team with the MGEA. Has the government acceded to the request of the MGEA directors to give their full offer and revised offer as of today, so that they may study it for a reply?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): Mr. Speaker, no the government has not acceded to - as a matter of fact that telegram that the member refers to suggested that a certain meeting had to take place on a certain date, otherwise certain things would follow. The fact of the matter is that a meeting had been set for May 28th, which is today, had been set two days prior to the sending of that telegram, and it was just simply going along in a normal way. So that the sending of the telegram was a very interesting piece of PR but in fact it didn't in any way affect the proper negotiations. The government negotiators had agreed that they would meet on the 28th, even prior, two days prior to the telegram, and in fact that meeting is going on today.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question is to the Honourable the Minister of Mines on the subject of the previous questions. I wonder, is the Minister satisfied that the U.S. Draft Guidelines for the International Joint Commission negotiations on Garrison are broad enough to cover all the issues that would be of legitimate concern to the people of southwest Manitoba?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: I have not to my recollection seen the U.S. Draft Guidelines, I have seen the suggested terms of reference that were being put forward by Canada, and I'm not able to deal with their detailed content because I don't think one negotiates guidelines in the House when they are being discussed with the American Authority. But I'm satisfied that the Canadian Government is making the terms of reference as much as they can to the advantage of the Canadian people.

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MR. MCGILL: Mr. Speaker, is the Minister satisfied that the International Joint Commission negotiations will be meaningful if the U.S. Government as a matter of policy is withholding relevant information . . .

MR. SPEAKER: Order please. Order please. Again, the honourable member is first of all asking for a Minister's satisfaction. I don't think that that's necessary to the procedures. The second thing, he's adding opinions which are debatable and those will then naturally cause a problem on the floor. I wish he would place a direct question. The Honourable Member for Brandon West.

MR. MCGILL: Well, Mr. Speaker, then does the government accept the position that the construction will proceed even as the negotiations are taking place before the International Joint Commission?

MR. GREEN: Mr. Speaker, we have been assured, and will continue to pursue the position that no construction will be proceeded that necessarily links with the Red or the Souris until the International Joint Commission deals with the question.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the Honourable Minister of Labour. The Honourable Minister has made a public statement that the minimum wage will be increased within the next two months. Was he making a statement on a report or on the review from the Minimum Wage Board?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): I'm not aware, Mr. Speaker, of any public statement that has been made by the Minister of Labour in respect of minimum wage. I was asked the question as to the possibility and probability of the minimum wage being increased by an individual. I gave an answer to the effect that I expected the same to be done.

MR. PATRICK: A supplementary. Has he received the report from the Minimum Wage Review Board?

MR. PAULLEY: The Annual Report, the resolution of the Minimum Wage Board, I believe, Mr. Speaker, was tabled in this House.

MR. SPEAKER: The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I wonder if I may have leave to introduce a report that I neglected to do earlier.

MR. SPEAKER: Is it agreed we go back to reports? (Agreed) The Honourable Member for Radisson.

TABLING OF REPORTS

MR. SHAFRANSKY: Mr. Speaker, I beg to present the Interim Report of the Special Committee on Land Ownership and Use.

MR. CLERK: Your Special Committee on land ownership and use was appointed in the First Session of the 30th Legislature.

By resolution passed in the Legislature on May 30, 1974, your Special Committee consisting of Honourable Messrs. GREEN, USKIW, Messrs. ADAM, BARROW, BLAKE, BOSTROM, BOYCE, FERGUSON, GRAHAM, HENDERSON, JOHANNSON, JOHNSTON (Portage), JORGENSEN, SHAFRANSKY and WALDING, was appointed and authorized:

"To enquire into matters relating to property rights in lands within the province;
To hold such public hearings as the Committee may deem advisable;
To sit during recess, after prorogation;
To report to the next Session of the Legislature;"

By resolution of the Committee, the following changes in the membership of the Committee were approved:

January 30 - Mr. Dillen for Hon. Mr. Boyce.

February 17 - Mr. Osland for Hon. Mr. Green.

Your Committee met on:

Monday, January 20, 1975, at Winnipeg

Monday, January 27, 1975, at Dauphin

Thursday, January 30, 1975, at Brandon

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(MR. CLERK cont'd)

Monday, February 10, 1975, at Arborg

Tuesday, February 11, 1975, at Steinbach

Wednesday, February 12, 1975, at Winnipeg

Monday, February 17, 1975, at Winnipeg

Friday, February 21, 1975, at Morden.

Your Committee is appreciative of the interest in land ownership and use shown by the citizens of Manitoba as evidenced by the many written and oral presentations that were made and by the public attendance at the hearings.

Nearly all persons and organizations appearing before the Committee expressed the view that ideally agricultural land should be owned by the farmers who operate on it, a position that your Committee endorses wholeheartedly.

While the existence of such a high degree of unanimity on the ideal form of land ownership is most gratifying, your Committee received very few suggestions on how this ideal pattern of ownership was to be achieved. While some briefs recommended that legislative provision should be made to restrict the transfer of ownership of agricultural land to bonafide farmers, many others suggested that ownership of land includes the right to sell to the highest bidder regardless of occupation or place of residence, and even though such action would detract from the ideal.

Several persons and organizations appearing before your Committee recommended that sales of land to persons residing outside of Canada be prohibited or that a temporary freeze be placed on such transactions to provide time to study the impact of foreign ownership of land in Manitoba. However, under questioning by members of the Committee, these persons could not provide an explanation of how ownership of farm land in Manitoba by aliens would differ from absentee ownership by Canadians as far as the impact on farmers and the rural communities are concerned.

Several persons and organizations recommended that changes should be made in the system of land titles registration, so that information on land ownership and transfers of titles would be more accurate, more complete, and could be quickly retrieved, a recommendation with which your Committee agrees.

In several briefs the suggestion was made that an "independent" Land Use and Ownership Commission be appointed to conduct hearings and make recommendations. The interpretation of the word "independent" by the persons presenting these briefs seemed to be "non-political". Your Committee has difficulty accepting that interpretation as well as the recommendation itself. In a parliamentary democracy all adult citizens are expected to indicate their political preference from time to time; indeed, it may be said that the more active interest a person takes in all matters relating to the body politic, the better citizen he is. Secondly, if any action is taken with regard to the important matter of property rights, it must be taken by the Legislature and is, of necessity, political. Your Committee is of the opinion that its members are more representative of the people of Manitoba than any so-called "independent" commission that could be appointed.

Your Committee notes with some disappointment that many of the presentations contained serious contradictions. For example, several briefs contained statements suggesting that farmers want to be left alone, that they do not want government interference, that they would sooner deal with other private persons, banks and corporations than with governments. In the same briefs and/or upon questioning by Committee members, these persons would ask for more generous credit provisions from government so that young farmers could buy land with little or no down payment, subsidized and even forgivable interest rates on mortgages, exemptions from gift taxes, succession duties, and capital gains taxes, etc. Indeed, the Committee notes that people in those areas where the sentiment against public involvement in agriculture was expressed most vocally have drawn most heavily on government programs of credit and other financial incentives. Your Committee wishes to observe that the lack of consistency detracts from the value of such presentations.

Your Committee has found that there is a lack of accurate information resulting in a good deal of confusion over government programs. For example, many persons seemed to assume that the land lease program administered by Manitoba Agricultural Credit Corporation and the working paper prepared by the Department of Agriculture, "In Search of a Land Policy for

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(MR. CLERK cont'd) Manitoba, are aimed at "complete public ownership of land". Your Committee thinks it important to point out that the land lease program is entirely voluntary, that the limitations on assets and incomes restrict its applicability, that it is aimed at assisting those people who would have difficulty obtaining credit from other sources, and that persons are given the opportunity to purchase the land after five years. If people were better acquainted with these attributes of the program many of the suspicions might be allayed.

Finally, many persons and organizations expressed the view that there was need for a land use policy, that the use of land should be designated or zoned in accordance with its soil capability, and that urban sprawl over good agricultural land should be discouraged or even prohibited.

The hearings conducted by your Committee have dealt with agricultural land only. The House may wish to consider the desirability of having a Committee enquire into concerns citizens may have with respect to lands for urban and recreational uses. As well, many rural residents have expressed the wish to have further opportunities to discuss the many aspects of farm land ownership and use.

In the meantime, your Committee wishes to make the following recommendations:

1. That the government change the system of land titles registration so that accurate and complete information on ownership of land and transactions in land be kept in such form that it can be easily retrieved.
2. That the Agricultural Credit Corporation Act be amended to include in it the major principles of the land lease program to enshrine the rights of its lessees in legislation. Such action should help to eliminate the suspicions and confusion (based on wrong information and misunderstanding) which seem to surround the program.
3. That the Government consider the need for legislation relating to land use.
4. That your Special Committee on land use and ownership be continued in order to provide the citizens of Manitoba with further opportunities to express their views on matters relating to the use and ownership of land in the province.
5. That the Government consider the total effect of all taxation on farm land as it applies to farm ownership.

MR. SPEAKER: The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, I move seconded by the Honourable Member for Flin Flon that the Report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: Any other questions? The Honourable Member for La Verendrye.

ORAL QUESTIONS Cont'd

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Minister in charge of Municipal Affairs, and would ask the Minister if it is still his intention to give the municipalities in Manitoba, the rural municipalities, a month's time to study the Planning Act, Bill 44, as he mentioned he would in a meeting in Brandon several months ago?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD PAWLEY (Minister of Municipal Affairs) (Selkirk): Mr. Speaker, the municipalities have been studying the concepts of the new Planning Act for quite some months. They've had more than one month in order to study those concepts, and the bills have been distributed. To my knowledge they are already in the hands of the municipalities in Manitoba now, and I gather that they are presently studying the provisions of the bill; and I gather we'll be arranging for meetings with officials in my department to discuss those provisions prior to Law Amendments stage. So I think that a great deal of time has been allotted towards the study of the bill.

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. THOMAS BARROW (Flin Flon): I direct this question, Mr. Speaker, to the Honourable Attorney-General. In the Flin Flon area the time lapse between a fatal industrial accident and the enquiry has taken several months, sometimes almost a year.

MR. SPEAKER: Question please.

MR. BARROW: This causes a lot of trouble, Mr. Speaker. --(Interjection)-- I wondered if the Minister would consider cutting his time limit down to 10 days.

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MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Well, Mr. Speaker, I would have to - this all comes under the provisions of the Fatality Enquiries Act and the procedures under that Act. I would be concerned like the Honourable Member for Flin Flon if there's an unduly lengthy time taking place in respect to having such enquiries held, and I'll certainly take the question as notice. I would say to the Honourable Member for Flin Flon in all fairness though that there's probably no way that an enquiry could be held within 10 days of any fatality.

MR. BARROW: The situation is quite severe and I'd appreciate some action on this as soon as possible.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: This is to the Honourable Minister of Mines and Natural Resources. I wonder if he can indicate when the meeting with his officials will be held dealing with the Metallic Mineral Royalties Act, when that meeting can be arranged.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: I hope very soon, Mr. Speaker. I did indicate, Mr. Speaker, that the officials would be there, that they would explain the workings of the Act. They would not be dealing with the policy of the Act and I will be giving such explanations as I can. And when I have to turn to them I will operate the way the Ministers have been operating in committee outside of the House; provided I can give the answer myself, I will give it. I will turn to them when they are required to explain the workings of the Act and how it would apply to a company, not as to speculative revenues.

MR. SPIVAK: Well just, Mr. Speaker, so the Minister, and be clear of what the Minister intends, it was our understanding that there'll be an opportunity to meet the officials within the parameters that the Minister has set down and we'd have the opportunity of reviewing that prior to being able to deal with the Act in committee stage, and I wonder whether he more or less - he doesn't have to set the date, but we'll require that meeting prior to the committee stage itself.

MR. GREEN: Prior to going into the House on Third Reading. But, Mr. Speaker, I wish to make it clear that they will tell the honourable members as to how the Act will work technically if that is a problem to them. They will not be discussing the policy of the Act, nor will they be discussing the differences of opinion in values or taxes as between what they say would be collected and the mining companies, they will say how the Act will work.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BANMAN: A supplementary question to the question I asked of the Minister of Municipal Affairs, and I would ask the Minister if his department has taken into consideration the fact that many municipal councillors and reeves are right now engaged in seeding and will not be able to give the bill the scrutiny I think that it should have.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Speaker, as I indicated before, there's been a great deal of discussion over the past number of months with municipal people, both in the Urban Association and from the union. I want to say in further answer to my earlier question, the honourable member made reference to a statement by myself that there'd be one month notice given for study in Brandon. I don't believe I was at the meeting he's referring to that was held in Brandon, he must be referring to some other commitment. But I would say that there probably will be prior to the time it reaches Law Amendments Committee, approximately one month period between the distribution of the Bill and the Law Amendments Committee.

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, following on my colleague from La Verendrye, I'd like the Minister to know that the Bill was tabled last week and the Bill was distributed to the municipalities arriving in various areas on Friday, and the people in my area . . .

MR. SPEAKER: Question please.

MR. BILTON: . . . are asking the time.

ORDERS OF THE DAY - GOVERNMENT BILLS

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you please call Bill No. 40, the Statute Law Amendment (Taxation) Act.

BILL NO. 40 - STATUTE LAW AMENDMENT (TAXATION) ACT

MR. SPEAKER: Proposed motion of the Honourable First Minister. The Honourable Leader of the Opposition. Bill No. 40.

MR. SPIVAK: Mr. Speaker, the basic issue that faces Manitobans is the cost of living, and for most people in this province there is no other issue like it. We know that the cost of living is rising faster in Manitoba than in any other province. And in the last three statistical datas issued on the Consumer Price Index, it indicated that in the 12-month preceding, Manitoba had the highest rate of increase. It is our belief that the government with respect to its taxation policies has used a band-aid approach, as though somehow or other they would ease the pain. The government's rebate programs are virtually meaningless when you compare it to the total spending, the total increase in revenue and the total taxing that this government has undertaken.

Mr. Speaker, it is our belief that government spending contributes to the cost of living. Governments - and this particular government - do not operate in a competitive market, and if the cost of goods or services goes up too high they refuse to buy. But, however, the government in its actions do exactly the reverse. When it requires goods or services, it'll obviously pay what the market requires. And therefore, Mr. Speaker, the government's own attitude to spending provides no pressure whatever for a downward change in prices. When the government appears willing to buy at virtually any price and when government is involved in the marketplace to the extent that this government is involved, there is a powerful incentive in the economy for the sellers of goods and services to charge whatever the government is prepared to pay.

Well, Mr. Speaker, with respect to the inflation, government spending is only part of the problem. In Manitoba, the overall level of taxation contributes to inflation because for everyone in society, whether he's a consumer or producer, taxes are themselves a cost. For business, taxes are something that are passed on to the consumer. In the case of producers, the taxes are passed on as I've suggested, in the form of higher prices, and that applies right across the board to virtually all forms of taxation that the province can impose. In this process, Mr. Speaker, it is the taxpayer and the consumer who has the least protection. He or she has no one to whom he or she can pass the tax burden that has been placed on them, both by direct taxation and as a result of the increased costs that have been responsible for, have partially been caused by the tax policies of government.

What I'm suggesting, Mr. Speaker, is that the consumer is the one who is stuck. He's stuck in short with high personal taxes, higher prices on goods and services, higher sales taxes, because, Mr. Speaker, those taxes are based - the sales taxes are based on the higher prices for things they buy. And the situation that is created for those people who are on pensions and other fixed incomes is inequitous. It really, Mr. Speaker, is a moral and it is indecent for the government whose revenues have increased to such substantial portions, who have had the biggest and unprecedented increases percentagewise in both personal and corporate taxes, and who have had this revenue . . .

MR. SPEAKER: Order please.

MR. SPIVAK: . . . and who have the problem of dealing with the people on pensions and fixed incomes and for all intents and purposes have ignored them. Because as the people face the real problems of doing with less in our society today, or living more and more on credit, the government sits like a fatted calf as the revenues from the growth taxes add to the government's power to spend.

Well, Mr. Speaker, what do the people of Manitoba want? They wanted in this budget, tax reductions. What they wanted was tax relief. Reduce the sales tax, reduce the income tax, but no, the government won't do it. Indeed, just to show how unfeeling it can be, it proposes now to increase taxes to subsidize Autopac. --(Interjection)-- Well, the honourable member says it's not true. It proposes to increase the gasoline tax to subsidize Autopac. Now that tax is deplorable and it's regressive in many ways. It is to begin with, precisely the opposite of what we now require in this province. To all the taxes we bear the government will

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(MR. SPIVAK cont'd) now add another one. The First Minister has the gall to tell the Prime Minister, "Do not increase the price of oil, we are in a very bad period of inflation, we must exercise restraint." And what does he do, he comes back to Manitoba after the conference and slaps a three-cent increase on the price of gasoline on the people of Manitoba.

Mr. Speaker, to all the costs of the consumers and producers, this tax will add another. And to all the broken promises regarding the financing of Autopac, this by far is the biggest. This tax is the wrong approach at the wrong time, for the wrong reasons. And the effect of this tax, Mr. Speaker, apart from the obvious one of trying to meet the Autopac deficit, will be to affect the cost of living. And I've already indicated to the Minister of Consumer Affairs from our projections - and we'll note and wait when the statistical data comes in - that Manitoba again will lead the country in the increased cost of living, and part of this will be the increase on the gasoline tax which has been responsible for the continuation of this position in this province. It will also add to the cost of every driver in this province, whether they drive for pleasure, or simply to and from work, or for business reasons. The Minister of Autopac says that it will be a tax on gas guzzlers, and I say to the Minister, who are the gas guzzlers? The person who lives in Swan River and must bring their child to see a specialist in Winnipeg and must travel 300 miles there and back, who has to pay the extra tax, that's a gas guzzler? The person who lives in the North and who comes to the South to see relatives, is that person a gas guzzler who must pay the extra tax? The person who lives in the remote areas and who has to travel substantial distance, is that the gas guzzler? The gas guzzlers are the people of Manitoba, and the people of Manitoba in the main who are outside the City of Winnipeg, or the people in the City of Winnipeg who will travel throughout Manitoba to all the parks that are available during the summertime for recreation, they are the gas guzzlers. And as the miles pile up as they drive through the province, they will be paying more - and that satisfies, somehow or other, the particular frame of mind that the government has, that somehow or other they can logically rationalize an ability to pay principle with respect to the gasoline tax. And so much for their logic and so much for their stupidity. It is a tax on travel and it's a tax on travel of all kinds. It's going to add to the cost of living for those who drive cars. But the consumer is going to get it in another way as well. For those who drive for business purposes, this tax will be an additional cost of doing business and that cost will be passed on to the consumer in the form of higher prices for goods and services.

The Premier is fond of talking about the lunacy of inflation. The lunacy has obviously settled very comfortably on his government. The tax proposal today is lunacy in the light of the restraint that is being asked for by every sector in our economy, and it is also dishonest as to its intent. It is not really a tax on those who have an ability to pay, it is a rationalization of the fiasco of Autopac and the necessity of the government fuzzing up the statistical data on Autopac so that the people will not be in a position to judge effectively whether the promises made so many years ago in fact are justified or not. Mr. Speaker, it is going to add to the cost of living that Manitobans are now having to live with.

Mr. Speaker, we needed tax reductions in this province, we did not need additional taxes to be imposed on people. We needed action by the government. The government itself, if one looks at the revenues, is self-satisfied. It has proposed a deficit. One cannot be sure of the deficit, one can be sure that in addition to whatever has been proposed, there will be another 40 or \$50 million in special warrants. The government itself has a capacity to charge off to its borrowing authority much of what could be charged in its administrative responsibilities and therefore is in a position to be able to hedge itself for the coming year. And in doing it it has presented itself in the chess game of finance it has played within this Chamber.

But, Mr. Speaker, what about the person who at this particular time is faced with the real estate taxes that they must pay, with the income taxes that have had to be paid just recently and with the increased taxes of increased costs of goods that have taken place as a result of the whole direction that the economy is taking. That person and that family have got to exercise restraint, that family have to make choices, that family have to make decisions as to what they can do and what they cannot do, and they sit here and watch the government make no choices. They watch the government make no decisions, they watch the government essentially sit back and say, "We're running it as efficiently as we can. We are doing what the people voted that we should be able to do, which was to spend money. We need the additional money to be able to carry on all the good undertakings and we do not have to reform our

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(MR. SPIVAK cont'd) government spending." And I suggest, Mr. Speaker, that we're reaching a point in this province where the working middle-class poor, who are the ones who bear the tremendous burden of taxation, are getting fed up with the politicians who in their actions do not demonstrate at all any restraint with respect to any phase of government activity and who are forcing the average working middle-class poor to exercise restraint to make choices. And they have created by their actions, I believe, a legitimate fear as to where we are going, as to whether inflation can be controlled, and as to whether the quality of life that has been achieved for many can in fact be passed on and achieved for their children. One has to look at the level of housing costs today, one has to look at the cost of credit, one has to look at the cost of goods, one has to look at the pay check after the deductions have been taken, to recognize that we are reaching a point where realistically the politician is really far removed from the day-to-day concerns of the average person, the working person and the person on fixed income struggling to make a living. And even though the government would like to appear, you know, concerned and interested, and make certain adjustments and work an indexing figure in as a basis to be able to support these people, the fact is those on fixed incomes are not able to make ends meet. They are concerned and they are scared; and the government is smug, the government is complacent, the government is always looking inward and with satisfaction to its own political posture and is not in any way sensitive to the needs of people.

And as I said, Mr. Speaker, it would seem to me, that if we were to ask to support this Bill - and this Bill contains a number of items, some of which we would be prepared to support - we are going to have to support an increase in the gasoline tax, and we cannot in all conscience justify support on that basis. We cannot believe that there is logic in following the hypocrisy of a Premier who would say to the Prime Minister, and I repeat this again - "At this particular time with the economy being in the position that it is, with the high cost of living, with inflation out of control, there is no justification for an increase in gasoline tax" - and then come back and slap it on the people of Manitoba. Where's the logic? There is no logic, there's no defence. It is a Premier who is talking out of both sides of his mouth, standing in a national conference attempting to be responsible, and being irresponsible here in Manitoba. And we are concerned, I think rightfully so, that the introduction of a gasoline tax as a means of subsidizing Autopac is the opening of the door to a continual increase annually as the fiasco continues and as the government continues to operate inefficiently with mismanagement, with incompetence, the whole area of the auto insurance industry.

And, Mr. Speaker, all one has to think of what the deficit will be for fire insurance next year and the year after that and the year after that. And where is the revenue going to come from that, from the premiums? It will come, Mr. Speaker, from the gasoline tax and, you know, Mr. Speaker, if the Premier or anyone else on the other side was to say that isn't so, we don't believe him. How can you believe him? You know, you go back to the original Autopac debates, you read the debates and read the statements that were made by everyone present. You know, you look at that and say, "All right, we will judge this period of time and we will judge it on the basis of the integrity of the individuals who spoke, and will judge it by their actions." And our actions disproved everything they said. Now they'll try and rationalize it, they will try and debate it, they will try and defend it, but there is no honest basis on which those representations made in those debates can in fact and should be accommodated to the illogical way in which they try to rationalize their position. The fact is that they have - well the Honourable Minister wants to ask a question I assume. I'll let him ask the question and then I'll try and answer it.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, if the honourable member has looked through all of the debates on Autopac, and the original debate including remarks that have been said since then, would he not have found that I have said that the most logical system would be to finance the entire program through gasoline taxes?

MR. SPIVAK: I'm not interested in what the Minister said with respect to that. I'm interested in what the Premier and the others said when they said there would be no subsidy of Autopac.

A MEMBER: It's not a subsidy.

MR. SPIVAK: Yes it is a subsidy, a direct subsidy. And, Mr. Speaker, when Mr. Dutton appeared before the Committee, and when it was asked, "Can you make a comparison

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(MR. SPIVAK cont'd) of our rate with Saskatchewan's?" he said, "It's very difficult to make a comparison because Saskatchewan has a gasoline tax which subsidizes Autopac." Those were his words, Mr. Speaker. And so therefore, what are we now going to do? We are going to put a gasoline tax, and then they're going to still try and compare it with other jurisdictions, when realistically what they are doing is subsidizing it through the gasoline tax as a means of not accounting for their actions. So at this particular time, because of the vulnerability of a program in which the government became involved in the business affairs of this province, the people are going to be dunned again. And that's the logic of the members opposite. Well, we say there's no logic. There is hypocrisy, there is lack of integrity and, Mr. Speaker, at this particular time we have to question, you know, with, I think, candor, and try to make an objective assessment of the game that the Premier has played with respect to the whole question of taxation and restraint. I say that he's talked out of both sides of his mouth, and he has. He talked wage restraints when he really didn't believe in wage restraints; he talked about refusal to increase the price of gasoline tax when he increased it in Manitoba; he talked about rent control as a means to satisfy some people, and his actions will not be that. He is trying to be all things to all people and at the same time in the course of doing this, allow many of his people to carry out policies which are directly opposite to the kinds of commitments they have taken and directly opposite to the kind of programs.

And so, Mr. Speaker, when the Premier talks about lunacy, the lunacy is within the NDP, it is within his Cabinet, it's within his Ministers. The lunacy is the fact that they have not objectively looked at the situation of the people in this province who are trying to make ends meet. They sit there with the revenues growing in an unbelievable way, and they distributed the largesse on the basis that they know better than the people, and at this particular time when what the people want is a reduction in taxation, they increase taxation. And we on this side, Mr. Speaker, are not prepared to support that.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I would move, seconded by the Member for Brandon West, that debate be adjourned.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I wonder if the honourable member would object if I said a few words at this time.

MR. CRAIK: No.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Well, Mr. Speaker, you know, I think that it should be fairly plain for all to see that the Honourable the Leader of the Opposition is in an election campaign which is multidimensional; he's in an election campaign which is going to involve himself in the constituencies of Wolseley and Crescentwood, and he's also in an election campaign which involves him in pitting his own position in the party as against other people who are hoping to have some encounter with him in December of this year. And both, Mr. Speaker, both situations justify him putting as good a foot forward as he possibly could on behalf of the Opposition, and of course on behalf of the candidate whom he is hoping to support. And I suppose that we can excuse the Leader of the Opposition - or at least sort of accept the fact - that words such as lunacy, stupidity, hypocrisy, dishonesty, deceit, that usually they do not come all in the same speech. They are not words that are foreign to the Leader of the Opposition, but generally, I mean, it will be - one speech is lunacy, one speech is stupidity, another speech is dishonesty, another speech is deceit, but --(Interjection)-- That's right. In this case, because he has a multidimensional problem, he is having a multidimensional pitch and he is doing what the Member for Portage la Prairie - to whom I owe the gratitude of this description - he has an omnibus speech, for an omnibus bill.

And I'm not going to spend a great deal of time in dealing with the honourable member's remarks, just two things that I want to deal with. One is, Mr. Speaker, his suggestion that the 2 cents, I think he has sort of linked up the entire 3-cent increase in motor vehicle taxes with the Autopac, as he calls it, subsidy. Now that's also, Mr. Speaker, studiously done, and if he didn't do that then I regret - I didn't hear the honourable member's entire speech, but he spoke about the auto insurance increase and he never once mentioned that 2 cents of it is designated for Autopac. Or if he did, then I will willingly withdraw my remarks. He is not asking me to do that, therefore I assume that he has camouflaged this speech to try to indicate the

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(MR. GREEN cont'd) entire 3 cents. And the reason he has done that, Mr. Speaker, also relates to the multidimensional approach that he is using. He has the Member for Virden who already had said, Mr. Speaker, "Keep him out of my constituency." You know, said that publicly, "Keep him out of my constituency." He has him to contend with, because the Member for Virden is a supporter of that one cent. We are dealing with 3 cents, and the Member for Virden is a supporter of that one cent. And I wish we could have had this as, you know, an omnibus bill broken down into features, 2 cents and one cent, and then I would want to see how the Member for Virden would vote on that penny. It would be interesting to see. --(Interjection)--

Well, the First Minister says it is broken down. So when we come to committee, it will be interesting to see how the Member for Virden votes on that penny - on that penny. Because how did that penny arise, Mr. Speaker? It arose because last year the Province of Manitoba was being dunned, not by the Province of Manitoba - and the word "dun" is a little hard, but I guess I've accepted the Leader of the Opposition's language and I use it - by the Premier of Alberta and the Premier of Saskatchewan who, for the purpose of benefitting their citizens, decided that they're going to charge the people of Manitoba roughly 40 millions of dollars for oil, for the purchase of their product. And we could hardly say that they are able to charge us those prices because of their tax laws, and we are to just sit back without doing something similar in the Province of Manitoba to at least recover something - to at least recover something. And the Bill last year I think picked up between \$6 million and \$8 million. --(Interjection)-- the First Minister tells me 6-1/2. In any event, we said when we introduced the bill that there is going to be a consideration given; we took 2 cents, we're giving one back, we are going to give one back. That's all we've said. We've never said that we're going to give more. And even the one is not exactly, I don't want that to be misled either. The one might not be entirely going to that, there may be some consolidated revenue in it; but the main purpose we said at the time of introducing that tax, that if the Federal Government doesn't allow a disallowance, we would make a modification. And the oil producers at Virden held us to our word, they asked for a modification, they asked for it on the grounds of the disallowance and also on the grounds that they were having to close their wells. And we've listened to both arguments, but essentially we did it on account of the disallowance. So the Honourable Member has clearly ignored that one cent of this goes to the Member for Virden's oil producers, and I am interested to see how he will vote on that one cent. And I will ask for a standing vote on that one cent and I hope that the member will be in the House when it is enacted.

Now, Mr. Speaker, I am going to deal with the two cents, which the honourable member said is a subsidy. As I understand a subsidy, Mr. Speaker, it is the use of consolidated revenues to make up a deficit in accounting that results from an operation. When you say, Mr. Speaker - and the reason that the honourable member regards it as a subsidy, is that he is such a lover of premiums; he has in his history loved premiums so much that he thinks that there is only one way to raise revenues and that is through premiums. That's why when he was a member of the Conservative administration and he needed \$30 million, he said, "Why charge taxes? Why charge consolidated revenues? Let's charge premiums. Then we can tell the people that they're not paying any taxes." So he decided, Mr. Speaker, that he would pick up \$30 million by levying a premium of \$120 on every family in the Province of Manitoba, and \$60 on every individual in the Province of Manitoba, and by charging these premiums, he didn't have to subsidize the plan and he didn't have to charge any taxes. Now the honourable member should have learned a lesson, because we went to the people of Manitoba with a very simple story. You know, no taxes . . . premiums, which are not a subsidy and which do not collect taxes and which we do not have to call a tax. They cost the average income earner, they cost the average family \$120 a year. If it had been done by taxes, it would cost you, let's say any figure, let's say \$60 a year for families in certain categories. We said to the people of the province, we your administration wants to save you sixty dollars by charging you \$120; you will pay \$60 in taxes, and you will pay \$120 in premiums. And the people of Manitoba said, "With friends like that, we don't need enemies - if it costs cheaper in taxes than it does in premiums, then we are prepared to have taxes." --(Interjection)-- Well, you see, Mr. Speaker, the Member for Swan River still believes that they were right; he still believes that they were right; he still believes . . .

MR. SPEAKER: Order, please.

MR. GREEN: . . . that it is better to charge the family \$120 in premiums than \$60 in

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(MR. GREEN cont'd) taxes. Mr. Speaker, I am not pretending that \$60 realizes the same amount of money as 120 - and as a matter of fact it doesn't, and I never said it does. What I said was that the taxes will charge higher income groups and corporations more and individuals less. And, Mr. Speaker, if the Honourable Member for Swan River believes that I am wrong, then I suggest that he goes to Swan River and in the next election, that he tell the people of Swan River --(Interjection)-- I believe, Mr. Speaker, that he should go back and tell them that he is going to eliminate the use of consolidated revenues for the financing of health care and he is going to impose a premium. I'd like him to do that. Frankly, I wish very much that he would do that, because then it wouldn't be a problem of which candidate we could choose to that constituency. We could choose XYZ and win that constituency on the basis of that kind of campaigning. Mr. Speaker, the honourable member says we tried four times, and I agree that he has been a formidable opponent and he has beat us. But, Mr. Speaker, what he didn't do, what he didn't do, is that he didn't go to the people of Swan River and say that he is going to reimpose the premium instead of consolidated revenue, and I say that I want to fight him on my terms. So would you please do that?

Please do what the Leader of the Opposition is doing now. He is saying, Mr. Speaker, that financing of Autopac through a gas tax is a fraud and is inflationary. And financing it . . . Mr. Speaker, nobody in this House said that we would limit the method of financing to a premium system. Mr. Speaker, nobody . . . You know, Mr. Speaker, the honourable member won't even do me the understanding that I will do him. I say that he thinks it's a subsidy. I believe it is not a subsidy. He is using the word "subsidy" to put words into my mouth. There is nobody, let us put it quite clear, there is nobody on this side of the House who said that the sole and only and perpetual system of raising the revenues for Autopac will be by premiums. Mr. Speaker, I wish he would find me that remark, because nobody said it. It was said that the fund would not be subsidized, but nobody said that we would use premiums exclusively and forever to finance that plan. And the reason that I know that nobody said that, Mr. Speaker - and I don't believe that the Premier will be annoyed with me, that this is not really a Cabinet confidence because it's often been discussed - because at that time, Mr. Speaker, the New Democratic Party in the Province of British Columbia had gone to the people; they didn't succeed, but they went to the people - or they had devised a system of financing auto insurance through the gas tax exclusively. Exclusively! The entire amount! And we discussed that freely amongst ourselves and said that the best means of coming into a new system is to come in in a way in which people are accustomed, and the people were accustomed to a premium and therefore we decided that we would charge a premium and not the gas tax. But if the honourable member says that we irrevocably said that we would go that way, then he is not correct, and that's why he studiously sticks to saying that we said that it wouldn't be subsidized and that this is a subsidy.

Well, Mr. Speaker, I deny that it is a subsidy. The two percent will go into Autopac - and if what we are being told now by the Autopac authorities doesn't change, and I hope it does, there may be at the end of next year a deficit in Autopac. And if we then took money out of consolidated revenues and made up that deficit, that would be a subsidy. But if we said, Mr. Speaker --(Interjection)-- and we are not, we are not - if we then said that by virtue of the fact that there is this deficit, we are going to increase the premium, or we are going to charge a dollar per person in the Province of Manitoba, or other schemes for the raising of the money, that would not be a subsidy. That would be a charge for the service paid to the service and on which the service has been actuarially predicted that it would operate. And, Mr. Speaker, you know, the honourable member knows that. The honourable member knows that, but he thinks somehow he has got a point, and in this, Mr. Speaker, he has been misled by his own propaganda.

I have a constituency of many thousands of people. Would the honourable members believe me if I tell them that not ten people, not ten, have complained about the increase in premiums? Not ten in composite have complained about the increase in premium or the gas tax associated with the collection. But the honourable members think that this is a big issue, and I am telling them that the people of Manitoba are more intelligent than he gives them credit for, and they know the following, Mr. Speaker. They know that if they had to pay it in a premium as against a tax, that it would be six of one and half a dozen of the other; and that if they drive more - it seems logical that the old companies used to rate on the basis of miles

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(MR. GREEN cont'd) driven by occupation - a taxi driver still pays more in rating under the insurance programs in other places than does a non-taxi driver, and therefore, they know that this has some sense to it.

Now, the honourable member says the auto insurance companies never did this. If the auto insurance companies had the power to tax, if they had the power to tax, they would find great validity in financing it actuarially. They would not do it out of just having a consolidated fund shiftover, but they would find it advisable actuarially to figure out what their costs are going to be, and put on a gas tax. Because, Mr. Speaker, these people, the auto insurance people, I assume they don't like bureaucracy; I assume they like simplicity, I assume that they like to get rid of red tape. And if you could finance the entire \$60 million, pardon me, 70 million, by a gas tax, which I have advocated on several occasions - I have never been successful, the people in the gallery will know - again, it's not a secret that at the New Democratic Party convention I said, let's finance the whole thing with a gas tax, but if that were done, you would not have to issue a single policy. You would not have to send out a single letter; you would not have to worry about cancelling licences, which bothered the member for Sturgeon Creek; you would not have to worry about anybody not being insured. The entire administration is handled by virtue of the receipt of the premium. So we have put two cents in that fashion.

The honourable member says that that is inflationary. He knows that that is not correct. Let us say that the two cents - how much dollars does that give you - \$6 million. The honourable member agrees that you have to raise the money. He wouldn't say that the private companies wouldn't do it, and they are doing it in every other province, they're raising their premiums. To take \$6 million from the public in premiums is first of all not inflationary, it is the reverse; it reduces six million dollars of spending, so it is not inflationary. It also enables you to pay the bills to the companies which if they then ask for more money, it is inflationary. But the effects of both, economically, are exactly the same if you raise \$6 million by premiums globally in the economy as if you raised it by gas tax.

Now the honourable member says that the people in this province don't want an increase in taxes. Of course they don't want an increase in taxes. Who wants an increase in taxes? I mean, the honourable member says . . . you know when the people will vote for an increase in taxes? They will vote for an increase in taxes when you show them that what you will then get for your tax money will be cheaper than what you will have to pay privately. I'll show you when the people will vote for an increase in taxes. If you had no public education and each person had to pay \$1,700 to get one child educated in one year, and you said, now look, if we consolidated divisions and did it publicly, it would cost you \$1,000 in taxes, they would vote for an increase in taxes. Because they are sensible, they are not like the Leader of the Opposition. But if he says, do the people want an increase of taxes? Of course the people don't want an increase in taxes. When he says that they want a decrease in taxes and then say that he is fighting inflation, then, Mr. Speaker, he's not talking out of both sides of his mouth, but there are things coming from various openings in his body, because that is a bunch of junk. The fact is that if you decrease taxes, that is inflationary.

Now I'm not suggesting that you should therefore increase taxes, but a decrease in taxes by every economic standard is an inflationary device. It is used to stimulate the economy; it is used to do these things. So let him not say that he is fighting inflation and decreasing taxes. What you have to do - and not because it is economically a mechanism - the honourable member says decreasing expenditures would reduce inflation. I agree, Mr. Speaker, that a decrease in government expenditures or a holding-the-line in government expenditures would be an anti-inflationary device, depending on whether the people had an opportunity to purchase what the government is then providing as a service in moneys that they have, and therefore you have to be very careful what services you do it with.

But has the Manitoba government been the leader in this respect? The Ontario government has a deficit predicted for this year which is higher than our budget, and that's a Tory government, and their spending has moved as rapidly as the Manitoba government's - and that's a Tory government, and there's no government in Canada that has been able to avoid that. The honourable member is saying that the one million people in Manitoba in a North American market of 220 million people make a significant fight on inflation, and I think that to the extent that we have been able to do it in government spending, we have done it, and the honourable member knows it. But the fact is that for the honourable member to accuse people of talking

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(MR. GREEN cont'd) out of both sides of their mouth, to accuse people of being dishonest, to accuse people of being stupid, and then to say that he will fight inflation by decreasing taxes, is just not economic sense, and the honourable member knows it. And that's why, Mr. Speaker, the honourable member has stopped listening, because he cannot stand what he is hearing, and that is the fact.

The honourable member wishes to fight inflation because poor people can't afford it, and that is acceptable. That is something that you have to do of necessity. Whether it is inflationary or not, if people are living on social allowances, if people are living on old age pensions, if people are living on fixed incomes, if people are working at the minimum wage, then, Mr. Speaker, in spite of the fact that it is inflationary, not because it will reduce inflation - as a matter of fact it will increase inflation - but in spite of the fact that it is inflationary, you will raise social allowances, you will raise the minimum wage, you will reduce taxes on the lower income people, or else give them credits which is a better system. Because when you try to have a reduction on lower income, generally, if you do it on the income tax, it works across-the-board and helps the high incomes more than it helps the low incomes. When you do it with a sales tax, if you reduce the sales tax, it would help the higher income people more than the lower income people, and therefore a tax credit works much better. But, Mr. Speaker, that doesn't do away with inflation. I say, Mr. Speaker, and this is all that I have learned in economics, is that regrettably increases inflation. Does anybody deny that? When you increase social allowances, you increase old age pensions, you increase minimum wages, you increase inflation. But the reason that you do it, Mr. Speaker, is that you have made a judgment, and I agree with it, that there are some things in the world that are worse than inflation. Starvation is worse than inflation; being cold because you can't afford to pay a fuel bill is worse than inflation; not having enough good food to feed your children because you cannot afford to pay the bills is worse than inflation. And therefore, despite the fact that these are inflationary mechanisms of necessity, you do have to help people at low incomes by giving them more money with which to buy the goods, the cost of which is going up. I'm not sure, but I think every government in the country has done it. We have done it, and I cannot back away from that one inch. I am not going to ask people at the lowest end of the scale to try to live at the low level that they are already living, to reduce it by not giving them indexes to make up for the cost of living, and we've done that. But that's inflationary. It is inflationary. There is no doubt that it is inflationary, but we have done that because those things are worse than inflation.

And, you know, to some people inflation is the worst possible evil because inflation hurts the position of a person who is in a credit position, of a creditor; and it helps a debtor - and a person could be in the upper income groups and still be either. But the fact is, inflation does have a problem in stability, and the people who are most wedded to the status quo want stability. And I'm not saying this as a criticism, I'm saying this as a fact. But, you know, I don't know whether the honourable member was here when we discussed this in the House before, when I was discussing it with the Member from Morris. I can remember, as a child, milk eight cents a quart; bread four cents a loaf. Wages - my father was in the coal business. He and his men worked from 8:00 in the morning until finished, which meant it wasn't like the end of the day, eight hours, it was when you got the last delivery delivered - it could be 7:30, 8:00 o'clock at night - \$12.00 a week for hauling coal. And I can tell the honourable member that it is very hard work. Rent \$20.00 a month. Mr. Speaker, to my honourable friend maybe that is a paradise, but I can tell him that it was not "the good old days." --(Interjection)-- I didn't say I was alone. Mr. Speaker, I didn't say I was alone. The reason I am relating this, the reason I am relating this is because I know that every honourable member in this House knows that there are worse things than inflation.

Now, we don't like the inflation more than anybody else, but for the honourable member to suggest that we are causing it, that we are not helping it by reducing taxes, is just not. . . --(Interjection)-- The Minister of Industry and Commerce says it's economic nonsense, and I'm glad he gave me those words because I was going to use less parliamentary acceptable words. That's right. And he saved my bacon - and my grandparents would be annoyed that I used that word. That's right.

But, Mr. Speaker, that was the position, and we are suffering an inflationary period. We have tried to deal with those people who will suffer the hardest. I think that if ever there

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(MR. GREEN cont'd) was a valid principle, it was expounded by the First Minister of this province when he said that the best way of fighting inflation is to fight across-the-board increases. Yet our attempt will be . . . and I don't know; you don't know how successful you are in these things - I'm talking about wage increases - that we who sit here, or people in the \$30,000 category, if they get a 15 percent increase they make \$4,500. That's more than some people make. Now \$30,000 may not necessarily be a lot of money to some people but to many people it sounds like a lot of money, and the fact is that the man who is in that category of income, despite the fact that the cost of living has gone up and that plane fares have gone up, he will be able to survive, even with inflation, and therefore, the Premier says, that when increases are given at that level they should be given at a dollar figure and not as a percentage figure; that when people are at the lowest level, the increase should not be based on the percentage. Or, if I haven't stated that properly, we should be giving as much as we can flat increases - as much as we can - and you'll never be able to do it. You will never be able to do it because doctors have a little better bargaining position - and we went all through that in the last few weeks - and some people in higher income categories also have a better bargaining position and they won't let you get away with giving them \$1,000 when you've given the person at the \$10,000 or \$9,000 figure \$1,000. Not because it's not right, but you just can't get away with it. You just are not able, given the various amounts of economic power that reside, with each group, to do it. But that, Mr. Speaker, has been the principle that the Premier has enunciated and which I think he wants to live by, and which the government would like to live by - if you can get away with it. And you always have to be able to budge here and there in order to maintain some degree of reality relative to the supply and demand of people in various categories, but certainly that has been one of the best and most practical and most clearly enunciated position with respect to how to deal with inflation that has been made by any First Minister in the country, not that they're going to reduce taxes for everybody - and which economists will put forward as saying that that is a non-inflationary device ?

MR. SCHREYER: Anyway they put on 19 cents of the gas tax. Now he's complaining.

MR. GREEN: Well, but I want to know which economist, which authority says that a reduction in taxes, general reduction, is an anti-inflationary device? I'd like to meet this, well, this unique person. If there is a taxation measure which combats inflation, it's to increase taxes. But we have not done that, Mr. Speaker. We have not increased taxes as an anti-inflationary device, because you increase taxes--(Interjection)--Well, you'll have to go through with my Honourable Member for Swan River, who likes my answers, and I will now give it to him, that the Leader of the Opposition has stopped saying it; maybe now he's got you to say it. He said that when we came to power, because in 1969 the budget of the Province of Manitoba was \$350 million, we now collect a billion dollars which shows that taxes have gone up by 270 or 300 percent. Around the same time, Mr. Speaker - and that's because we're New Democrats; that's because we're spendthrifts - in the same year the budget of the Tory, businesslike government of the Province of Ontario was roughly \$3.3 billion. It is now over \$10 billion, almost identical, and there are certain features of our position. So if you want to know how we do it, I say ask your friend Bill Davis how he did it. He won't believe me. He won't believe me. Maybe you'll believe Bill Davis - he's a Conservative - and the figures are weighted in our favour because there are certain things which are in their budget which weight those figures, as I indicated in the Budget Speech debate, but more important, Mr. Speaker. . .

MR. SCHREYER: . . . 7 billion increase.

MR. GREEN: But what's more important is that they do not have ten times the number of people that we have in the Province of Manitoba. They do not yet have 10 million people in the province . . . 10 billion people. So the spending per capita, the per capita spending of that very tight, hard-fisted, businesslike, true-blue Conservative administration in the Province of Ontario, by the track record presented by their Leader of the Opposition, is much worse than the government of the Province of Manitoba, besides which they have a deficit this year which equates our budget. They have a billion dollar deficit.

Mr. Speaker, I . . . you know--(Interjection)--Well, I don't always give my best. You have to be willing to accept the mundane from time to time. But the fact is, the fact is that I would not have even taken the floor. If the honourable member wishes to make a speech on how we are subsidizing Autopac, let him present his position and let him present it as hard as he wants to, but let him not be so desperate as to start talking about lunacy, stupidity, dishonesty.

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(MR. GREEN cont'd) Mr. Speaker, the Honourable Premier of the Province of Manitoba says that there is lunacy in terms of galloping inflation. The Honourable Leader of the Opposition says that there is lunacy in the members of this side. There's a bit of difference. You know, I think that he was referring to a general situation, that it does not become personal, and from time to time the honourable member has done this, and because I don't like this . . . but it's always, Mr. Speaker - and I would ask you to measure the times that I've come back with that type of language - it is always in retaliation; it is always to show the honourable member how the words sound coming off somebody else's lips other than his own. And I say that when he says "lunacy", if I responded that the Honourable Leader of the Opposition is a lunatic, that it would not sound very nice; that the Honourable the Leader of the Opposition is a fraud - it would not sound very nice; that the Leader of the Opposition talks out of two sides of his mouth, or the phrase that I used earlier - it's not nice. And I don't think that he makes many points in debate by doing that.--(Interjection)--Well, Mr. Speaker . . . yes. All I am suggesting is that when we are in this debate, you hit us as hard as you damn well please, because I believe we can take it. Hit us on the issues, but do not come out with the suggestion that somehow there are dishonest, inferior, insincere, stupid people sitting on this side of the House, because it only reflects on the person who is making the remarks.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Speaker. The last couple of days we've been listening to the Honourable Minister of Mines speaking in the House and he's used several different examples to bring across his point, and I would like to start by just saying at this time that when I watch the Minister of Mines speaking - and he's a good debater and I don't think there's any question about that - but I watch the members of the back bench sitting and smiling and sort of lapping up all the philosophy that he's espousing, and I think he's more or less the spokesman for the members opposite, and I would say to the Member from Radisson and several of the other members, I think they sit there and they listen and they say, "Yep, Sidney said. Yep. Sidney says. Sidney says hit the desk - (bang, bang, bang). Sidney says smile, we smile. Sidney says we get up and vote, we vote."

Well, Mr. Speaker, you know, we sit here and listen to the Minister of Mines, and I know that his capabilities of debating are very good.

But I would like to just point out several things as far as the gasoline tax subsidy - and I call it a subsidy; I can't see it as anything else but being a subsidy. The Minister mentioned several things that would cut out a lot of red tape if they went ahead and just said "Okay, now we're levying 25 cents a gallon on gasoline tax and we're going to use that for Autopac now." But I'd like to point out to the Minister that the problem with this particular item is that a lot of the motive fuels used in Manitoba right now are used by the transport companies. These intra-provincial carriers are carrying fuel, and the Minister of Industry and Commerce - I've mentioned this before - did a study in Manitoba, and the local trucking industry, the intra-provincial carriers, are in trouble, and they're having financial problems. So if you increase the price of gasoline to these people hauling goods in the Province of Manitoba, what happens is that you are indirectly increasing the price of bread, you're increasing the price of milk, you're increasing the price of flour, you're increasing the different commodities that are used by people in Manitoba. And let me point out that you are not only penalizing the consumer in Winnipeg, but you are penalizing more so the consumers in rural Manitoba. Because Winnipeg is the larger urban centre, most of our goods and services are shipped f.o.b. out of Winnipeg or manufactured in Winnipeg. And I'd like to point out at this time.

The other thing is, I think that possibly in too many instances what has happened is that we've sort of tricked people into believing that we're giving them something. We've got free Denticare - we're going to be working on free Denticare for children now; I notice a bill coming in. We're going to be working on free Medicare and now we would have free "Autocare". That's the other thing, because nobody's paying any premiums. It's a hidden thing.

Now, Mr. Speaker, it's going to be very difficult for the Opposition to find out exactly what the workings and the operation costs of Autopac are if that does not stand as a separate entity such as a Crown corporation should. I think that the dipping into different sources of revenue is not the proper way of operating that particular company and I think the administration of that company should be reflected by the actual rates charged to the people using that particular commodity.

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(MR. BANMAN cont'd)

The other thing is that I can see running down, looking a couple of years ahead, if the corporation is becoming ever more increasingly involved in problems of finance, and we know that there's only such and such a period of time in which they'll be able to dip out of the revolving account which they use now as far as the operation, and they've used that amount of money for their day to day operation - and I understand that they have not had to borrow any money from the Consolidated Fund because they're using it out of the premiums collected and there is no reserve because the Province of Manitoba is the people who have said good for the particular company or these corporations - but let me just point out again that the projected income, with the increase in premiums this year, is \$60 million. The Minister of Autopac has indicated that the expenditures, however, will be about \$70 million, and because of the lateness of bringing in this bill, the government will only recoup about \$3 million from gasoline taxes when this is implemented, because Autopac's year-end, I understand, is on October 31st, which will mean that if we project the first quarter, the first four months, the loss that was sustained during that time was 5.2 million, and we follow that through, that means that we're going to be looking at a \$15 million deficit, you recoup \$3 million from the gasoline tax, it still leaves you with a \$12 million deficit.

Now the Minister points out that it's not an inflationary trend, that everything is more or less relative when we look at how hard times were before and how people were doing different things in the good old days. It reminds me of a story that my dad used to tell me. He said when he got married things were so hard that he only had one cow and he was in partnership with his brother on that one cow. And the day they got married they were driving home from the wedding ceremony, and here was this cow floating down the little creek that they had. It had drowned under the bridge. So at that time they ended up with nothing, and I think there's many of us that have experienced that type of thing in this province. Of course, the times right now are better than they were then. --(Interjection)--No, unfortunately it wasn't financed by MACC and there was no coverage on it, no.

So, Mr. Chairman, I think that, as I've mentioned, the two cents a gallon will not only be borne by the people that drive more, and because they drive more it'll cost them more. Some of these costs will be borne by the consumer as I mentioned. I once again say that I feel very strongly that the corporation's premiums should reflect the actual cost of the operation of that premium, and that we shouldn't be dipping into all kinds of different other sources of taxes to try and prop up that particular corporation. Two cents a gallon is a subsidy in my mind and for that reason I oppose this particular bill.

MR. SPEAKER: The Honourable Minister of Health and Social Development.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): Mr. Speaker, I'll only take a couple of minutes but I want to answer the last spokesman for the Conservative Party, because there are certain points that should be made.

First of all, I wonder if the honourable member realizes what the tax on gas is in other provinces. The Conservative province of Ontario is 19 cents. The Liberal province of Quebec is 19 cents. New Brunswick is 20 cents. Nova Scotia 21; Prince Edward Island 21; Newfoundland 25. Those are all higher than Manitoba will be at 18.

A MEMBER: Now tell us about the income tax.

MR. DESJARDINS: And now there's Saskatchewan at 12; Alberta at 10 and B.C. at 17. Now to think that all these poor people will be penalized only in Manitoba I think that we should have our facts straight.

Now my honourable friend talked about the farmers that will be penalized also. The farmers came in and they said that they shouldn't pay as high premiums because they don't use their car enough.

A MEMBER: That's right.

MR. DESJARDINS: Now we're putting it on gas and again they say they're penalized. They can't have it both ways. I think that they get a break on the premiums - apparently they don't use their cars that much anyway, so how much are they going to pay.

Now at no time was it said that you have to finance something by premiums, and I think that was proven. And talking about subsidy, I would like to tell my honourable friend that the former government - the Conservative Government - when Medicare came in, used premiums - premiums as subsidies. How did they use that? Because they took over a million dollars that

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(MR. DESJARDINS cont'd) came from the Consolidated Fund to pay for the medical care of people on welfare, and that disappeared and it was subsidized, by premiums, \$120.00 per couple, by premiums, and these premiums were on everybody, on old age pension. I wonder how my friend would react to that. These people were paying the same thing, no change at all, senior citizens . . . paying the same premiums. They weren't only paying for their costs, they were paying for the costs of people on welfare. That is a subsidy. So now what is done? There is no way that anybody wants to hide anything. It's going to cost so much. So where do you take the cost to try to make it fair. So much money on premiums.

Now you have people say, well we buy a small car, we're penalized now because it's gone up and it costs practically as much for the premiums for smaller cars, and that's true, because of the parts and because the repair is just as bad. But you give these people a break because they don't use as much gas. So you say you're going to collect two cents per gallon of gas for Autopac. So you take it from gas. It is some kind of a utilization fee for the people that are using their cars and then you're taking it on premiums, and then also you penalize some of the people that are bad risks and so on, because they pay more when they come to buy their licence and when they have points against them. So who can argue that this is a subsidy.

And when we talk about inflation, and I think my honourable friend has covered that quite a bit, the only way - if the Leader of the Opposition is saying, well, you know, you're helping inflation by doing this, so what do you do, you don't pay the bills of Autopac, so therefore let's go back and let the companies charge you their premiums. It will come from the same pocket. So there's only one thing if you want to stop inflation, tell the people not to drive cars and keep their cars at home, because it's not going to help, if you drive your car it doesn't matter if you pay it on premiums and so on if you're getting the service from the government or if you're paying it on premiums to an agent, because you'll have to pay the same thing.

My honourable friend talked about these transport, these trucks also. Well I think it's only fair. Why should these people come from Ontario where they're paying 20 cents or 19 cents and from Nova Scotia where they're paying 21 cents and pay less here. They damage our roads. So if it's fair enough for them to pay 19 cents in Ontario, surely they can pay 18 cents here.

MR. SPEAKER: The Honourable Member for La Verendrye have a question?

MR. BANMAN: Yes. I wonder if the Minister would answer me one question. Does he not see the gasoline tax as an inequity between rural and urban areas. Take for instance, one commodity such as milk. We pay more in Steinbach and Ste. Anne for milk than they do in Metropolitan Winnipeg because of one thing, namely transportation. Now as the gasoline tax goes up for Autopac we'll be paying more for milk in that area than they will in Winnipeg. Would he agree with that?

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: It was my honourable friend that says that they want to know where the money from Autopac comes. Now when we're talking about that two cents, we're talking as part of the payment for Autopac and they're paying less for their premiums. So are they penalized? They're getting a break on the premiums and when they utilize their car, and according to them it's practically never, they pay two cents more on a gallon of gas. And they use the roads also the same as anybody else.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, as I advised you, I originally intended to adjourn the debate, but I realize that I will be away from the House for two or three days very shortly and it may just happen that I may be holding up the progress of the bill, so I think I'd better speak at the present time under those conditions.

That's not a promise, Mr. Speaker, that the bill may not get held up anyway. But I won't in this case be the party participating in it.

First of all, this bill, like all bills that come before us, the Statute Law Amendment Bills, are an omnibus bill that contain a whole bunch of different items in it, and this case of course is no exception with the many parts that are contained in the bill.

I think on average we support most of the parts in the bill, and as a result you, I suppose, have to decide at Second Reading, whether you support the bill - there's more good in it or more bad in it - and you decide on that basis whether you support the bill at that time. However, if you look at the new principles that are in the bill, there's only one new principle in it

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(MR. CRAIK cont'd) and that principle we're opposed to; and that's the application of the gas tax for the purpose of providing an income to the Manitoba Public Insurance Corporation. And that principle has been explained here, we're opposed to.

So on that basis, Mr. Speaker, the way we'll approach the bill is at Third Reading when we get into committee stage prior to third reading. We'll then go at the items, item by item, and call for a vote on the particular issues and deal with them one by one. But at second reading, since the only new principle involved in the bill is the one I mentioned, which is the subsidization of Autopac premiums by virtue of gas tax, our position will be that, on that principle we'll be opposed to it at second reading. We'll deal with the other items as we come to them in the committee stage.

I think the real problem here in this one item, which is the application of gasoline tax to the subsidization of Autopac. And I use the word 'subsidization' because we regard it as being a subsidy to Autopac because of the loss of accounting integrity that occurs when you start using different means of financing a particular operation. At our committee hearings the comment was made by the General Manager of Autopac that the role of Autopac was really the role of a manager of cashflow. Now, while that may in fact be the case, Mr. Speaker, that same principle applies to almost any business. That unless you manage your cashflow and manage it properly you have a business that very rapidly gets into trouble.

Now the problem that arises is when a government business gets into a cashflow situation where the management is such that the income doesn't match the outgo you end up in a deficit position which Autopac is in and as a result you have to make up your losses from someplace else. And in this particular case the government is saying that a large chunk of those losses are going to be made up, not by charging the automobile owner a premium on his vehicle, but by charging a tax on gasoline.

Now we think that you lose some of the accounting integrity as soon as you start moving out into other areas of subsidization. We have part of it coming from drivers' licences, we have part of it coming from gasoline tax, and we have part of it coming from Autopac premiums. Well the first thing that happens, Mr. Speaker, is - one of the best examples we've seen - is where Autopac puts out an advertisement about having either the lowest or second lowest premiums in Canada, for Autopac. Well, they're probably dead on, if they look at it in complete exclusion to other factors, particularly if they look at certain classification of driver ratings and classifications of automobiles. Now they can disallow the input of the gasoline tax. If they like they can disallow in their comparison, the money they raise from the drivers' licences. They can disallow the tax that is put really on bad drivers or convicted drivers of offences. All of these things can be disallowed, and in the very strict sense of the word they can say, "Our premiums are the lowest premiums in the world, the lowest premiums in North America", because you don't have to account for your other incomes, strictly speaking. What happens? They put an ad out of their Public Relations Department and then the ad gets printed in the Financial Post, and then the Autopac comes back quoting the Financial Post article as being a Financial Post source, to try and prove to the people of Manitoba that the most responsible newspaper in Canada says that Autopac is really doing a good job because it has the lowest premiums this side of Saskatchewan.

All of this lends itself to a lack of accounting integrity so that the corporation, nor the principles, which are the people of Manitoba, neither really know where they stand in relation to anybody else. And you're certainly not going to find it out from the people that put out the Public Relations material. It's the lack of accounting integrity that is the key to providing pretty discreet means of financing operations. Government organizations by their nature are not put under the strictures of an income outflow picture when they're handling cashflow that private companies are, and this is just one more means of providing them with that out. If they don't make the balance this year, if they're short again next year, what's the easy thing to do? The principle is established that they can go to the gasoline tax, and has been indicated across the way by a couple of the Ministers that they would in fact support the principle of putting all of it on the gasoline tax. The entire cost of Autopac.

Well, Mr. Speaker, if that is the case, who is going to look after the interests of those people who don't have the accidents but put on the miles on their car? What's going to happen to the people in Thompson? What's going to happen to the people in the far reaches of the province who have to drive a lot more miles but don't necessarily have any more accidents than

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(MR. CRAIK cont'd) to correlate with those increased miles?

Mr. Speaker, there's been no justification put before the House that people who drive those high numbers of miles are in fact, the people that are causing the accidents. So the thing is grossly unfair, and particularly this principle of unlimited taxation on gasoline for the purposes to paying for Autopac.

Well, Mr. Speaker, undoubtedly if you take two identical drivers in the City of Winnipeg that drive their cars for the same purpose and have the same living habits, one drives twice as much as the other, he's going to have more chances of an accident, he's going to burn more gas, therefore the principle applies. But the trouble is that people, as you well know in the different geographical areas of Manitoba, live under vastly different conditions. You know, why is it, in the statistics that come before us, why is it, for example, that something like 80 percent of the income on convictions of drivers come from outside the urban area of Winnipeg? The 80 percent figure may not be right on, but the majority of the income from convictions for alcoholic consumption, Mr. Speaker, come from outside the City of Winnipeg. Now is it because there's more alcohol consumed outside the City of Winnipeg?

A MEMBER: No way.

MR. CRAIK: No way. Everybody knows that, there's no historical evidence that there's more alcohol consumed per capita outside Winnipeg than inside Winnipeg; you know, on an average. Certainly not to correspond with the number of convictions. The point is that in that case it's much easier for a law enforcement officer to park himself at a particular spot in the country where he knows he's going to be able to pick up the drivers that consume the alcohol. And that doesn't seem to happen in the City of Winnipeg.

A MEMBER: No way.

MR. CRAIK: Whether it's the two different police forces, I don't know. There's certainly something different happens, but it isn't the fact that there's a difference in the consumption of alcohol. But, the majority of the money collected in this province for alcohol convictions by drivers, are in the rural part of Manitoba, and the same goes for speeding without alcohol consumption.

Well, what you're saying here is that you can pass a blanket law for the increase in taxation to pay for Autopac, and you know very well when you start, that the people that drive the most and put the most miles for similar lifestyle, that is, if they're driving to work and in principle have to use their vehicle for that purpose, that the person in the country is very likely going to have to pay considerably more than the person in the city. And particularly those people in the far reaches of the Province of Manitoba are going to pay more under this. Not because they have more accidents, mind you, but simply because it's a principle that is convenient for the government to bring in. So that's the second aspect of it, Mr. Speaker, there is no evidence - and when a government brings in a tax to tax people I think that it's incumbent on them to show the evidence rather than just a stated belief, but factual evidence, that those people who are in fact driving more miles, looking at all the geographical areas, are also the people that are having the accidents. That hasn't been said, Mr. Speaker, and we've had no evidence put before us that that in fact is going to happen. So we . . .

A MEMBER: Quite contrary.

MR. CRAIK: . . . quite contrary is true, inverse relationship. There is no moral justification or statistical justification for the application of this tax when you combine it. There's going to be a differential here that is going to hit some people geographically located more severely - not because they have more accidents, but because they happen to drive more miles with their cars.

Mr. Speaker, I want to deal very briefly with two other aspects of the bill. One I mentioned before, is looked at in this bill and changed slightly, is the tax change with regards to the operation of the small - or under the Mineral Acreage Tax Act there's a change in the allowance for people operating the oil wells in the Virden area, and there's one cent added to the tax for that purpose.

I want to point out, Mr. Speaker, that there's some anomaly here because last year when the Federal Government brought in the allowance to the provinces for the increase in the production price of oil, the Province of Manitoba reduced the tax by two cents as a result of receiving that federal money in order to pass it back to the producers. Now at the same time it was well established in the House that the actual amount of money that should have been

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(MR. CRAIK cont'd) passed back - if it had all been passed back - was three cents. The government in fact, by their own calculations last year, kept an extra one cent and did not pass it back to the producers. Now what they're saying in this Bill is that in order to do what they should have done last year, to give the producers back that one cent, they're not taking it out of the rebate from the Federal Government, they're going to take it as an additional tax on gasoline. Now, there's something here that has to be - either the calculations last year that were indicated on Bill 77 last year in this House were not in fact correct because the suggestions that were brought by the Opposition at that time were verified by the government, that there appeared to be about two-thirds of the money being funnelled back to these producers and about one-third of it was being kept by the government on the way through, and therefore two cents went back, one cent was kept. Now this year we find the producers are in trouble. They need another equivalent of one cent tax on gasoline and instead of funnelling it back it's going on as a new tax.

Now we agree that the producers do need this support. There is very clear evidence that they're in deep difficulty as far as their year-end statements are concerned, in their operations, and in fact unless the producer has some sort - well, they're caught in this position of the Federal disallowance of the Royalty Tax - unless they have a very very large artificial depreciation allowance to take they end up losing money on every barrel of oil they produce.

So, Mr. Speaker, we would like some explanation of what happened between Bill 77 last year and this bill this year. Because, as I mentioned, through that complicated procedure of rebates from the Federal Government, part of it kept by the government, most of it handed back to the producer, would it not be able to solve the problem by simply handing on the rest that is forwarded to the Provincial Government by the Federal Government, or in fact was the rebate from the Federal Government lower than was calculated and predicted in the discussion on Bill 77 last year?

Finally, Mr. Speaker, I want to comment on the Succession Duty Act. I think that this topic of succession duties can be very misleading. It would appear that the change from \$150,000 between spouses to \$200,000 is an awful lot of money. And \$50,000 whether it may or may not be relevant, \$150,000 or \$200,000, seems to be a very large amount of money. Unfortunately it's deceiving and misleading in terms of the amount. Because what is happening in this case is the government has decided that it should take money from the estates of the wealthy and most governments in Canada, in fact, follow that principle. The allowance in Manitoba, up until the present time and probably still is, one of the lowest in Canada. In other words, other allowances are higher than \$150,000 or \$200,000 in most cases. But what is happening is here even though this sounds - when I say it's misleading - is that you can have a young person who has a fairly good estate in life insurance and perhaps a home, and the life insurance may be in the form of an annuity to the widow, in the case of a young man who is killed or died for some particular reason, and under the tax laws of Canada that annuity or pension that he has in his estate planning has to be taken to a present value. And in that procedure you may have \$200,000 quite easily, that when you take it over its life span in the form of a pension can easily amount up to that 200,000, but according to the tax laws there must be a value placed on that, the value of the pension, and the widow may in fact be left virtually penniless but with pretty good future potential earnings through a pension, but has to pay the tax at the time the catastrophe takes place. Well, the basic question, Mr. Speaker, is with this \$150,000 to \$200,000 limit sounding like a lot of money, it infringes at that \$150,000 or \$200,000 limit on cases where there is not in fact a substantial present day estate in the family, but is caused by the death of a person, and the value of that pension over the - say the widow's remaining years which may be 40 years - for her projected life span according to the tax laws, has to calculate her total earnings over that period as if they were money today and then taxed now.

Now the Member for St. Johns says that it can be taken over a period of five years. There is some stretching out of the impact in that particular case. But what I want to state here is that it seems to me that if the government is in fact gaining a small amount of money from this Act, and all the evidence that we have in the Public Accounts is that the amount hasn't changed substantially, is that if it's not going to be a large money raiser for the province, why does the province want to run the risk of creating hardship for somebody who just hasn't been astute enough to do good family planning? Because that is what's going to happen

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(MR. CRAIK cont'd) here under this Succession Duty Act, even with a limit of \$200,000. You can have a family with very little cash resources but with a lifetime estate created by an untimely death, but no money in the bank. So in order to pay for the taxes the widow in this particular example would have to sell some of her assets, perhaps her house, in order to pay the tax now and then collect her pension over a future time.

I just think it's a bad area, Mr. Speaker, for the government to be attempting to raise money. There are areas to raise money which are not only much more productive to the government, but they are much more equitable in terms of the impact on the people that are going to have to pay the taxes.

Mr. Speaker, obviously the government must have run into this sort of problem in changing the laws from \$150,000 to \$200,000. I would suggest that because of the low return that is generally, in terms of the provincial income, but the impact on individuals where this does occur, that it would be well worthwhile providing us with some sort of documentation on some of the cases that have actually occurred, because I assume that with the change from 150 to 200, it's the result of an experience already, which is not a good experience.

Now, Mr. Speaker, I have some more comments I want to make on the bill. I want to finish by saying that at second reading, while we support most of the parts of the bill, the one major principle that we disagree with, and the only principle that is being changed, which is the one on the gas tax for Autopac, we'll vote against the bill at second reading for that single reason.

MR. SPEAKER: Order please. The hour being 4:30--(Interjection)--The honourable member will have further time the next time we debate it. He's not finished with his speech.

By leave we can go beyond 4:30. Do the members want the question now? Agreed? The Honourable Member for St. Johns.

MR. SAUL CHERNIACK, Q.C. (St. Johns): Thank you very much, Mr. Speaker, and honourable members. Just apropos of the last statement. Is the honourable member not aware that a person may elect to spread the tax over six years in payment of tax, and beyond that I believe as the Minister agrees; and also is he aware that in the period of time since the Act was passed until about six or eight months ago that I enquired about, there was never one person who asked for the opportunity to extend the time over that six year period. Is he aware of that?

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I think the former Minister is the only person who could possibly be aware of the incidences within his department. So there's no way that I could be aware of the incidences. I know that the topic is raised by people who regard it as a concern and they aren't necessarily people that have, you know, any substantial tangible present day wealth.

MR. CHERNIACK: What about the six year period?

MR. CRAIK: Well I don't think I can answer the Minister with regard to the six-year period, but what we would like is some sort of statistics that indicate the background to the imposition of this tax. The only evidence we have are the Public Accounts, and this tax doesn't appear to have brought in anything substantial to the province. But it does have, as I mentioned before, a substantial impact if a person is caught under as an individual.

MR. SPEAKER: Is the debate remaining in the name of the honourable member?

A MEMBER: No.

MR. SPEAKER: Oh, he's finished. The floor is open. The Honourable Member for Birtle-Russell will have it in his name. Private Members' Hour. I should take the motion from the Honourable Member for Birtle-Russell on that adjournment.

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, I beg to move seconded by the Member for Fort Garry that debate be adjourned.

MR. SPEAKER: Thank you.

MOTION presented and carried.

PRIVATE MEMBERS' HOUR - ORDER FOR RETURN

MR. SPEAKER: The first item is Order for Return held over for debate. The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, the debate will no doubt centre whether or not the government could have answered an Order for Return that asks certain questions about a particular situation and the hiring practices in the Department of Agriculture. And it also asks the general question about all competitions that have been held for positions in the Department of Agriculture since July 1st of 1969.

Now, no doubt the government will say, and I believe the Minister of Agriculture has already said when I first raised the matter, that there was no interference by himself or any officials of his department. He stated that in the matter of Bulletin 947 where there was a competition for an Assistant Livestock Nutritionist, he stated, and it appeared in the press and also in Hansard, Mr. Uskiw denied that people recommended for interviews - no, he denied the fact that someone who had applied for the job after the closing of the competition, was given it. He says that everyone who had applied, all the people recommended for interviews for the post - I'm referring to 947 - had applied after the competition had closed.

Mr. Speaker, this is just not true. This is just not true. I won't name individuals but I have a list of five individuals who had applied - and by the way the competition was to have closed August 26, 1974. I have a list of individuals and the dates on which their application had gone in, and in all cases excepting one, the applications were in well before the closing deadline, and in the one case that individual forwarded a letter asking to be considered. He was sent back by the Civil Service Commission - he was sent back an application form which was filled out and hand delivered and it was one day late in arriving, although his Letter of Intent of application had been received about 10 days before the closing of the application.

I have already made the accusation that the Minister of Agriculture and the Deputy Minister had interfered with the process of the Civil Service Commission in selecting the best qualified candidate for a duly advertised position within the Department of Agriculture. The Minister in replying to me in the House made what I consider to be libelous remarks about a gentleman whose name was mentioned, Mr. Milne, and that gentleman invited the Minister of Agriculture to make the same statement outside the House, and I don't believe the Minister of Agriculture has done that.

So I'm saying Mr. Speaker, that the reason for setting up of a Civil Service Commission in government is to insure that undue political pressures are not used in hiring people in the Civil Service, and that qualified people are hired based on a list of guidelines and qualifications, and in this particular position of Competition 947, the qualifications were, among others, the ability to relate well to farmers, producers, and to staff, and the board that conducted interviews and winnowed down the 15 or so applications that had been received, had one their job in thinking that they were doing what they were supposed to do - in fact knowing that they were doing what they were supposed to do - in trying to find the best possible applicant for the position and then making the recommendation. And here all along it's found that it's nothing but a cynical exercise which the Minister and his Deputy Minister had completely disregarded, and foisted upon the Examining Board a person who had not applied within the prescribed time. As a matter of fact, his application did not come in till two weeks after the closing of applications, and we have evidence that a person was forced upon the Board, the selection was not made on merit, and the selection was not made on the technical qualifications called for.

Now, Mr. Speaker, this is a pretty serious charge I'm making. I have it documented. I have a letter that was written commenting on the technical abilities of the person who received the job. That is just disgraceful that anyone would receive a job with that sort of a letter, and it wasn't a letter of recommendation. It mentions all sorts of unflattering qualities, yet this person received the job over highly qualified people. I think that former administrations, or the senior people in former administrations, would be very concerned if they saw the direction that this government is taking in their hiring practices. The Member for Birtle-Russell brought up the fact that out of the four liquor inspectors jobs that were open, only one of the jobs was bulletined and the rest were, I guess, handed out behind the scenes to favoured persons.

Well, Mr. Speaker, I don't know what senior members of this government are thinking of, because they are doing nothing but making trouble for themselves. If they have 12,000 people in the Civil Service and those people are trying to get ahead by hard work and by

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(MR. G. JOHNSTON cont'd) . . . upgrading themselves, by looking for promotion through regular channels, they must feel pretty badly to know that positions are filled over their heads by interference of Cabinet Ministers with the Civil Service Examination Boards, and I think that Ministers opposite should be ashamed that they'd be associated with this sort of a practice, because in the long run it's only going to make their work more difficult. It's going to be hard on the morale in the Civil Service to know that merit doesn't mean that much any more. What really counts now is who you know, not what you know. And I think this is a very serious situation that we have developing here in Manitoba where people are shoved into jobs who aren't qualified. The type of work that this individual is going to be doing is going to affect farmers out across Manitoba if the farmer gets bad advice or no advice, and I think the government deserve to be censured for their actions in this particular case. And I think the Minister of Agriculture - I wish he was in his seat so he could reply to me - I think the Minister of Agriculture should be ashamed of himself that he would allow this to happen in his department. We know in the Department of Agriculture that politicians or government can't do that much to help farmers. The farmers have to have the weather and they have to have the markets, and thirdly, I guess, they have to have decent technical advice, and if they get all three then they'll make a decent living. But if one of the three is missing, then you're going to be in serious difficulties. In this case, the government is the one that's falling down through this particular appointment. They are not giving the best person available, making him available to farmers for advice in this field, and in this case it's a political decision that brings no credit on this government.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I regret the fact that the Minister of Agriculture is not here nor is the Minister of Labour who would have been able to deal with the details involved in this Order for Return. But the fact that there is a grievance between two different people to obtain employment, and I can tell the honourable member that I know nothing about the particular case, doesn't mean that an Order to Return should be accepted by the government. I think that what we have to deal with is whether it is right for the Member from Portage to be asking for the information that he is requesting.

Now I did indicate to the Honourable Member for Portage la Prairie that there were certain parts of it, at least, which I could see it being objectionable that anybody had "with respect to all other competitions held for positions with the Department of Agriculture since July 1, 1969" - it's a period of six years. "Give the number of competitions held." Well I can't tell my honourable friend how many there are held within the Department of Agriculture, but I can tell him that I must be dealing with a minimum of ten such applications a week - I hope I'm not exaggerating, I'm trying not to. If it's not ten, let's reduce it to five, that would be 250 in a year times five years would be over 1,000 applications that he is asking particulars of the "name of the position competed for in each case; the name and address of the person who was considered best qualified by the examining board in each case. Give the number of applicants in each case, the name of the position competed for in each case; the name and address of persons considered best qualified by the examining board in each case."

There is in the Province of Manitoba the name and address of the person who was awarded the job and his ranking in the competition in each case. There is a Civil Service practice in the Province of Manitoba, which does not date with this government which has been the practice as far as I know that always existed, which indicates that the final authority for hiring is with the Minister, and the Minister is entitled to choose from amongst three people referred by the Examining Board. And he may choose the first, he may choose the second, and he may choose the third. If he chooses outside of that realm, I suppose it could be very seriously questioned, but it has always been recognized that within the numbers that are appointed there is finally a ministerial discretion. Now the honourable member thinks that there is something reprehensible about that. I ask him what he thinks is so wonderful about somebody knowing that the Examination Board makes the final decision. Does the honourable member think that there is nothing that the Examination Board can do wrong? Because if it was known that the Examining Board made the final decision, I suggest to you that there could be with little control, the kind of even control that the honourable member has in this House of what pressures this board would be subjected to and therefore, Mr. Speaker, it has been the practice, continues to be the practice, and I would venture to say that in the years that I've

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(MR. GREEN cont'd) been a Minister that perhaps on three occasions that I have not taken the top-mentioned person. That doesn't mean that it is not right that I should have had the option to do so.

Now with regard to a particular individual and what another person feels somehow as being a matter which is discussed in debate in this House and the qualifications as an individual, I am not able to stop the honourable member from debating it but I don't think that it is quite appropriate for debate. I indicated to the honourable member that there were questions in his Order for Return which are not appropriate in discussing personnel matters to become a matter of public debate. "How many applications were received before closing date? Of the applications which were received before the closing date how many were considered to be qualified?" Now is he asking for the names of those that were considered to be qualified or the numbers that were considered to be qualified?

And then of course we get to the names. We have to say which ones were considered to be not qualified. And I'm not sure that the Civil Service recommendations as to which ones are qualified, and which ones were not qualified should become a matter of public debate because the very next question says, "Of the applications which were considered to be qualified, which had been received before the closing date, how many were interviewed by the examining board? When was Dr. Ibrahim's application for the position received by the examining board? Were any of the members of the examining board contacted by the Department of Agriculture . . ." I didn't deal with that question nor am I able to deal with it.

The next portion of the Order for Return would ask for the names of the persons in every competition since 1969, which ones were qualified and which ones were not chosen and then the reason for not choosing. "The reason for not choosing the person considered the best qualified by the examining board in each case." Surely, Mr. Speaker, the choice would have been made on the basis that the ultimate hiring authority in not choosing the person who was recommended by the Examining Board did so because it is his discretion to say that another person is in his view more qualified. Now will the honourable member be satisfied with that? Will he be satisfied that these people were named and that the Minister said that in his view the next person was more satisfactory to him. Because that is what we have been permitted, that is what the Civil Service Commission rules have been throughout all of the years that I have sat in this House apparently, which included three years in Opposition, and probably, although I cannot be certain, through all of the years that the honourable member sat in the House.

So regardless of whether he is of the opinion that there was political interference with a certain appointment which he has raised on grievance, and which he has made his position clear, and which I suppose the Minister will have to defend, and will defend, the real question is whether the government should be obliged to return to the House this information. And, you know, there are Ministers, former Ministers of the Crown in the House - I will be interested to see how the Member for Riel deals with this question. Will he say that this material should be tabled in this House. I am waiting for a vote on the question.

MR. SPEAKER: Are you ready for the question. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, I listened with interest to the Minister of Mines and the Government House Leader dealing with an Order for Return by the Member for Portage and, sir, the concern that the Member for Portage has expressed, while it may be dealing with a particular case, is one that I am sure that other members of this Chamber have felt is a concern, and indeed the people of Manitoba. It may have been because of the concern that was expressed by the Member for Portage that others in this House have been watching with greater scrutiny some of the methods by which this government does make its appointments.

The questions that are in this Order for Return, with the exception of I believe one, have not been of the nature which would - one or possibly two - which requested the names of individuals but dealt, sir, with the procedures, and expressed a genuine concern, or the member expressed a genuine concern, about whether or not the traditional hiring practices of the government were being upheld and maintained. And those practices are spelled out fairly clearly in the Civil Service Act, and we in the House would hope that they would be adhered to. And yet, sir, I found the other day that when I asked the Attorney-General a question we found out that they were not being adhered to, only one of four positions was bulletined. And that,

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(MR. GRAHAM cont'd)sir, expresses another concern.

So when the Member for Portage expresses these concerns here, I feel that perhaps he is a spokesman for not just himself but for several others in the House who have doubts in their mind about whether or not the Civil Service Act and its role is being maintained. And, sir, if government had accepted the Order for Return, that would have in itself dispelled many of those doubts, but when it was held over for a debate then I have to say that the answer given by the Honourable House Leader, while it may have been logical, and it did point out one or two areas which probably were sufficient reason, it still, sir, does not, in my mind any way, fully justify the actions of the government in this case. We do know, sir, that the Order for Return was set over for private consultation between the Minister of Labour and the Member for Portage, and we are not privy to what went on in that discussion at all, so we cannot comment on that part. But we do know that the government did little to dispell some of the apprehensions that exist about the hiring practices by refusing to accept this Order for Return.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, may I first of all indicate that I thought, apparently erroneously, that an Order for Return was treated as a substantive motion apart from private members' resolutions, and it was possible for adjournment on the debate. And I had intended to have an opportunity to listen to what my friend the Member for Portage la Prairie had to say in respect of this matter before having to take the floor because, Mr. Speaker, you will recall when the motion was proposed and stood, and then subsequently to that, I indicated on behalf of the government that the resolution should be defeated. Unfortunately - and that's my fault of course and not the House's - I do not have before me a certain number of documents pertaining to this particular case. So I will have to rely on memory of my understanding of the Civil Service Act and the content of the resolution with which we are dealing, and try to indicate, Mr. Speaker, why in all fairness to all applicants for positions for employment with the Government of Manitoba, or any of its departments, the information suggested by my honourable friend should not be transmitted to this House, because to do so in my humble opinion would be a violation of the basic right of employees within the Civil Service, and the basic human rights of those who are desirous of becoming members of the Civil Service of the Province of Manitoba.

I am not concerned, Mr. Speaker, with an individual.

A MEMBER: It's a symbol.

MR. PAULLEY: I beg your pardon? It's a symbol that I am not concerned with an individual? That is correct. My honourable friend, Mr. Speaker, points out to me that it is the symbol that what happens to one can happen to others, and that is one of the basic reasons, sir, that I oppose the Order for Return from my honourable friend. Because, Mr. Speaker, and members of the Assembly, what are the rights of an individual? What security of tenure in employment has an individual, if in this Assembly an honourable member can ask the question pertaining to names, positions, in respect of people who make application for employment? That is one of the questions, Mr. Speaker, that my honourable friend is asking. And I suggest to him, knowing him so well, that he hasn't given consideration to that aspect. Imagine, Mr. Speaker, that in the Department of Labour, or in any other department of government, just to use government as an illustration, supposing there was a vacancy within some department that half a dozen members at present employed in the Department of Labour made application to leave the department for some other field of endeavour and were rejected, there would be a natural inclination to presume that that particular individual was dissatisfied in his employment with the department that he was connected with, and that he would be revealing to his employer dissatisfaction that would be detrimental, or conceivably detrimental, to his employee-employer relationship.

This also, Mr. Speaker, is true in private industry as well. Presume that the manager of the Shoe Department of Timothy Eaton Company made application to become the General Manager of the Shoe Department at the Hudson's Bay Company, can you conceive what the position would be of management of say Eaton's, and I trust that it's understood that I'm not using them in any derogatory sense but rather just illustrating the situation, that they no longer would have the confidence, or conceivably have the confidence of that particular employee if it was made public that that particular individual wanted to leave one area of employment and go to another. Now that is what is being asked, at least in part, Mr. Speaker.

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(MR. PAULLEY cont'd) In this Order for Return proposed by my honourable friend, he wants to know how many applications were received before closing date for the competition. There is no provision, Mr. Speaker, in the Civil Service Act for an actual termination date of closing of applications. There is a guide it is true. There is a guide, and it's contained on the bulletins that are put up in the corridors of this building and other places of employment: Please submit applications by July 1st. The reason for that of course is obvious, that it is desirable that the civil servants would be knowledgeable, have some time guide . . .

MR. SPEAKER: The Honourable Member for Portage state his point of order?

MR. G. JOHNSTON: Well I wish to correct an incorrect statement made by the Minister at the moment that it occurred. He said words to the effect that bulletins are put up stating that applications will be entertained by a certain date. The wording of the application that I have is: "Applications for the following positions will be received at the Civil Service Commission up to" a certain date. That's not what the member said.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I am not going to argue language with my honourable friend, or terminology with my honourable friend. I think basically he's just agreed with what I said, that there is no absolute conclusive termination of a closing date on an application; there is no provision, Mr. Speaker, in The Civil Service Act, accordingly any more than there is in normal proceedings. As a matter of fact, Mr. Speaker, we have in this Assembly a set of rules which says that on or before the 15th day of the opening of the House certain documents must, not "may", but certain documents must be tabled and filed with the Clerk of the House. And almost, maybe I'm exaggerating slightly, but almost every day we have been receiving reports that are statutory after the 15th day of this House. The rule is there, the understanding is there, but the operation is somewhat different, Mr. Speaker.

Again I want to say to my friend, I'm not concerned in my capacity as the Minister of the Civil Service Commission with arguments between individuals. I am trying to establish that in the Civil Service Act there is no absolute legislation regarding a closing date for receipt of applications for employment. As a matter of fact, Mr. Speaker, I tried my darndest, I try my darndest as the Minister responsible to this House for the Civil Service Commission, to enjoin people to put in applications long before any competition is even announced so that the Civil Service Commission and the employees therein have an opportunity of knowing of the availability of people who may work, or desire work in the government of the Province of Manitoba.

The question of the Examination Board. There is a provision in the Civil Service Act for a selection board to consider applicants. There is no obligation in the Civil Service Act that that examining board cannot examine any other than those who may put in a formal application. An invitation can be extended to others, Mr. Speaker, and I think that it is only fair and reasonable. Otherwise, how can we actually operate?

And then another question of my honourable friend. "Were any of the members of the Examination Board contacted by any official from the Department of Agriculture"? Of course the main purport of my friend's Order for Return is to try to get at somebody, or appear to get at somebody in the Department of Agriculture, or pertaining to the Department of Agriculture, because of some desire of an individual - It's a good job I'm mellow these days, Mr. Speaker - "Were any members of the examining board, " - which is a selection board and not an examining board" - contacted by any official from the Department of Agriculture, and did any of the examining board members have it suggested to them that Dr. Ibrahim should be given the position of Assistant Livestock Nutritionist?" How often have you, Mr. Speaker, have I, has the Member for Portage la Prairie, made a suggestion to a selection board or to the Minister of a department or the Deputy Minister, "I know Jack Jones would be a heck of a good employee for you to hire," and make that suggestion. I then say following that, Mr. Speaker, I then say following that, that this would deprive another basic human right that we as individuals have of making suggestions. I'm sure, Mr. Speaker, that prior to the opening of this Assembly, members of the Assembly have gone to you as an employer and made suggestions to you that Jack Jones or Jim Smith, or these attractive girls should be placed in employment within the Assembly. Is this a crime? Does it necessarily follow that this is not a proper way of operations that is not detrimental to the rights of individuals? I suggest to my honourable friend and I really wanted to talk to him about these aspects and it was for that reason that I asked him to withhold this Order for Return until I had an opportunity of

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(MR. PAULLEY cont'd) discussing with my honourable friend the provisions of the Civil Service Act. Now I frankly confess and admit that I do not know every single clause in the Civil Service Act. I do know, I do know that in the operation, in respect of the Civil Service, that there is no precise closing date, and opportunities are given from time to time for expression of freedom, which thus far we have enjoyed here in Canada, of expressing some desire for employment of individuals.

Then we come down to the other part, and I want it emphasized, I don't know the individuals concerned that are contained in the Order for Return. I don't know them from Adam. Whether that makes any difference or not I don't know. Then, Mr. Speaker, my honourable friend goes on with other competitions, and asks with respect of all other competitions held for positions within the Department of Agriculture, since when? Since July 1st, 1969, when we became the government; give the number of competitions held, the names of positions competed for in each case, the date advertised and the closing date in each case, the number of applicants in each case, the names and addresses of persons who were considered best qualified by the examining board in each case, and so on. I want to say to my honourable friend that it is my understanding that there is no continual filing system that would go back to 1969 in order to obtain this information. Then the questions go on, the name and address of the person who was awarded the job, and his ranking in the competition in each case. There is no ranking, Mr. Speaker, in the competitions as such. There is a listing of individuals who are recommended as being capable in the opinion of the examining board, or the selection board, call it what you will, there is a listing of individuals who are considered as being eligible for employment in those respective positions.

Then the next question, Mr. Speaker "The reason for not choosing the person considered the best qualified by the examining board in each case." This would mean that every single examination or selection board would have to go through an inquisition by somebody, and who that somebody may be I'm not aware as to why their judgment indicated that they should choose Mr. Speaker, or Mr. Fox rather than Mr. Reeves. And then asking the Civil Service Commission to choose copies of all the original applications and the dates on which they were received in each case for Competition 947, and all other competitions since July 1st, 1969. I realize, Mr. Speaker, my time is up unfortunately, because I think I had a real story to tell to my honourable friend of how ridiculous and how inhuman it would be for us to attempt to operate government and the Civil Service Commission if we were to agree with the points raised by my honourable friend, and on behalf of the government, Mr. Speaker, I again repeat that we cannot accept this Order for Return.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, I think that the threat to privacy, the danger to privacy which the Minister of Labour sees in this Order for Return is highly exaggerated. But I do agree that the Order for Return in its totality would impose a very tedious and onerous burden on any government. I think, unfortunately, that the Honourable Member for Portage la Prairie, has gone too far and weakened his own case in this Order for Return. I believe that the first part of the Order is a legitimate request for information, and I see that as the principle which is involved here. I support the Member for Portage la Prairie fully in that position. I think that he has a legitimate right to ask this kind of information, and that it is a legitimate and responsible request.

I think that the Minister of Labour goes too far, in the manner that the Member for Portage goes too far, in the arguments that he the Minister of Labour makes in countering the Order for Return itself. As a consequence there are aspects on both sides of the argument that I think recommend themselves to anyone trying to look at the question impartially and objectively. The Honourable Minister of Labour drew an analogy, for example, with the situation that would occur if information like this were being sought in private companies, corporations like Eaton's. He cited that as an example of a private company in which this kind of procedure would produce extreme difficulties for management, and extreme difficulties for personnel themselves, and intrusions into the area of privacy, personal privacy, that would be quite unacceptable and quite intolerable. And I agree with that, but I think that the Minister has chosen a very poor analogy because when he's talking about Eaton's he's talking about private business, and what we're talking about here is the Department of Agriculture of the Province of Manitoba, and we're talking about public business. It's a far far different thing to

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(MR. SHERMAN cont'd) have members of this Legislature, such as the Member for Portage la Prairie, requesting information of this government, that is information pertaining to public business to the Civil Service, to the department itself, that is information that is the right of the taxpayers of this province to know, that is information that is related to practices, procedures and functions which are supported by taxpayers' money. So to try to compare it with the situation in private industry or private business, I think is stretching a point beyond credibility or acceptability, and at that point the argument the Minister of Labour breaks down completely.

The Member for Portage, every member of this House, has got a perfect right to ask for information of this kind in the public sector, in the public sphere. The first part of the Order for Return with the initial five subsections are completely, in my view, within order, sir. They have earned my complete endorsement and support. And I think any fair minded member of this House, and certainly any member on the Opposition side confronted with the daily and weekly challenge that we have of trying to obtain relative information in the sphere of public expenditure, would agree that those subsections, those requests in that part of the resolution are fair and legitimate.

The attempt by members of the government to introduce other aspects of the Civil Service procedure, and other aspects of the Civil Service Act into the debate are merely attempts, in my view, sir, to cover up the situation that the Member for Portage is trying to get at. The situation that the Member for Portage is trying to focus some attention and some public light upon. The government seems to be very reluctant and very reticent to provide answers in this area and on this issue, which has been in raised in other forms by the Member for Portage and members of the Liberal Party in this House, and that kind of closing of ranks, and that kind of defensive posturing on the government's part can only tend to arouse the suspicion on the part of Manitobans, and certainly on the part of members of the Opposition, that there is something there to be hidden, there is something there to hide, and the government is going to do everything it can, and employ every mechanical and technical device that it can, and employ every kind of contrived debate it can, to keep the information hidden, to hide what it is the Member for Portage is trying to expose.

I think that much of the defence employed just a few moments ago by the Minister of Labour fell into this category. He spent a good deal of his time making references to the general kinds of procedures prescribed in the area of hiring, and employment and examination of employment candidates in the Civil Service generally, and to the kinds of general applications of the Civil Service Act. And all those are perfectly valid institutions that we live with but they have no bearing on a specific and controversial question raised by the Member for Portage la Prairie on which members of this House are still asking for answers.

But, sir, to go on beyond those initial questions posed by the Member for Portage, and to go into the second part of his resolution does, I think, as I suggested a few moments ago, cross that fine thin line that not many of us in this House, I suggest, would want to cross. Regardless of what government is in office, regardless of who was in Opposition in this Chamber, I suggest that the kinds of things that the honourable Member has asked for in the latter half of his Order for Return do take this situation into an area that would be intolerable for any government, intolerable for all of us. And certainly they do move into an area where the privacy and the rights of individual persons I think are being abrogated.

The intention of the attempts by the Member for Portage in this Chamber in the last few weeks through this Order for Return, and by other means, is to find out just what took place in this particular hiring situation. I think that Manitobans generally can still demand before this session ends, sir, that the government come clean on that situation. (Hear, hear) The proof in this instance, sir, is that there is something on which the government does not want to come clean, and this is a government that has professed, and pronounced since long before its election, that it would be a people's government, open, above board, laying its cards on the table, making information available, allowing these things to be properly examined by the people's representatives in this Chamber. The kind of defensive posture that they have undertaken on this question turns to the degree of the laughable and the ludicrous, that kind of a government position.

It's here I think that we stand behind the Member for Portage la Prairie and that we challenge the government to stop the contrived defensive tactics, and to stop the playing of

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(MR. SHERMAN cont'd)games and to just simply provide some answers to a question that has relevance and has importance for this entire Civil Service of Manitoba, and for all the taxpayers of the province who support that great service. There is no intention here to set up a procedure that would be permanent. There's no intention on the part of the Member for Portage, or in the wording of his Order for Return, that could possibly be construed in those terms by this government if it were prepared to look at this in a fair-minded way. The Order for Return does not say that a permanent kind of examination and review procedure of the kind asked for in Part 2 of the Order for Return be instituted in this jurisdiction. It simply asks that this one case be examined and be opened up for honest scrutiny by the opposition and by the taxpayers. The intention is as straightforward as that, sir. The difficulty, as I say, is that the Member for Portage goes beyond that point and imposes by his suggestions burdens that no government of any stripe could realistically live with.

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

MR. CHERNIACK: It's a question for the honourable member. Would he indicate how he is voting on this resolution?

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I will certainly indicate that when you call the vote, sir.

MR. SPEAKER: Are you ready? The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, the Member for Portage la Prairie, I have to say has a reason, has a valid reason to put a question of that nature before the Assembly if he feels that there are practices within the hiring of civil servants to the service of the province, to the government, are such that warrant the attention of the Assembly and that perhaps should be corrected. But I want to say that in this instance, and I don't know how long the system has been operating, that as I understand it it's been operating this way for many many years, and probably dates back to the time when the Liberal Government was still the government of this province, back in the '50's. The advice that I have from my staff, with respect to the practice of accepting applications after a date deadline is advertised, is one that indicates very clearly that this is a practice of long-standing. It is not an unusual procedure, and that the recommendation is that it not be discontinued, because in good faith if good candidates appear on the scene even after the deadline, there is an argument that suggests that there is no harm and no one is denied his opportunity in competing with those candidates, and indeed the public good may well be served by accepting a candidate that may be more qualified or better suited for the position than what the applications revealed prior to the date deadline on the bulletin. So that, Mr. Speaker, has to be set straight.

The record that I have with respect to competitions within my own department, and we're talking about 88 competitions, dealing in the period July 1974, to the present, where we had received some 799 applications, of which 29 or approximately 4 percent, were after the advertised deadline for applications, so that there is nothing unusual about that.

What I find distressing however Mr. Speaker is the fact that the Member for Portage chose to frame his Order for Return in such a manner that either he knew, or inadvertently had to find, or come to the conclusion, that it cannot be acceptable to the Legislature in that form.

MR. SPEAKER: Order please. The Honourable Minister will have an opportunity on another day. The hour being 5:30, the House is now adjourned and stands adjourned until 2:30 tomorrow afternoon (Thursday).