

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
10:00 o'clock, Friday, June 6, 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 20 students of Grade 5 standing of the Immaculate Heart of Mary School. These students are under the direction of Miss Dziedzic. This school is located in the constituency of the Honourable Member for Point Douglas.

And we have 32 students of Grade 4 standing of the Ramah Hebrew School, under the direction of Mrs. Dyck and Mrs. Ashton. This school is located in the constituency of the Honourable Member for River Heights, the Leader of the Opposition.

On behalf of all the honourable members I welcome you here this morning.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees. The Honourable Member for Radisson.

REPORT BY STANDING AND SPECIAL COMMITTEES

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I beg to present the Fourth Report of the Standing Committee on Economic Development.

MR. CLERK: Your Committee met on Thursday, June 5, 1975, to consider the Annual Reports of Moose Lake Loggers Limited, Minago Contractors Limited, and Channel Area Loggers Limited for the year ending March 31, 1974.

Messrs. Orville H. Minish, Murray Harvey and P. M. Lazarenko, chief officers of their respective companies, provided information as desired by the members of the Committee.

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

MOTION presented and carried.

MR. SPEAKER: Ministerial Statements and Tabling of Reports. The Honourable First Minister.

TABLING OF REPORTS

HON. EDWARD SCHREYER (Premier) (Rossmere): Well, Mr. Speaker, I have here for tabling in response to the Motion of Address for Papers by the Member for Brandon West seven copies of the correspondence Canada-Manitoba re High Voltage Direct Current Equipment.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; 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 First Minister. I wonder if he's in a position to indicate whether his officials have been in contact to determine at least the probable meeting of the First Ministers with the Prime Minister concerning the energy matters and other related items.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, the question by the Leader of the Opposition is very timely. The last 48 hours I've been attempting to get some further definition as to just what is likely to transpire in terms of a meeting of First Ministers and/or Ministers of Finance on energy pricing and on the so-called consensus constraints exercise. We have not been able to ascertain anything definite with respect to a meeting date. I've just been sent in a note however that it would now appear that there will be a series of phone calls between the Premiers across Canada that these round robin phone calls will be taking place next week.

MR. SPIVAK: Is it possible as a result of these round robin phone calls that there would be an agreement with respect or a consensus arrived at with respect to any oil increases that would take place, or is this still preliminary to a meeting and final determination?

MR. SCHREYER: Mr. Speaker, I can only offer conjecture as to how this will unfold as my assumption is that as a result of these telephone conversations next week that there will

## ORAL QUESTIONS

(MR. SCHREYER cont'd) . . . . be conversation with respect to oil pricing, and that as a result of that conversation on oil pricing it will then be decided whether or not a meeting is necessary with respect to oil pricing, and if such a meeting is felt necessary it will take place some time between June 23rd and June 30th.

MR. SPEAKER: Orders of the Day. The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I direct a question to the First Minister and if I may be allowed a brief explanation. In 1973 Winnipeg Videon made application to supply cable TV to Portage la Prairie to the CRTC, and since that time the CRTC has not seen fit to grant a hearing on the matter. Would the First Minister signify that the province is willing to co-operate and give encouragement to this request?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I think that the question can best be answered by inviting the Honourable the Member for Portage la Prairie to obtain a copy of the presentation made by Manitoba to the CRTC approximately 12 or 13 months ago. Our position is one of certainly not opposing the extension of cablevision to smaller communities - Portage is not a small community, Portage is a city. I believe that if there is a problem at all it would have to do with the ownership of the distribution hardware. But I do not believe that to be a problem. In the final analysis the Province of Manitoba is not to be regarded as opposing the granting of cablevision license with that one caveat. I would invite the Member for Portage to direct any further enquiry to the Minister responsible for communications, the Minister of Consumer Affairs.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Labour.

ORDERS OF THE DAY - GOVERNMENT BILLS

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, I wonder if you would mind calling Bill No. 37 for second reading, standing in the name of the Honourable the First Minister.

MR. SPEAKER: The Honourable First Minister. Bill No. 37.

BILL NO. 37 - DISCLOSURE OF INTEREST

HON. EDWARD SCHREYER presented Bill No. 37, an Act respecting Disclosure of Interests in Matters of Public Concern and Conflicts of Interests of Persons Holding Public Office, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I'm not sure whether honourable members are intrigued with the subject matter of this bill or whether they are by now bored with it. The fact remains that starting about two years ago, two to three years ago, Manitoba, and perhaps three or four other jurisdictions in Canada, began to look at the advisability of some legislation that would clarify and better govern the problem of allegations with respect to conflicts of interest and the like. Of course, Mr. Speaker, the problem is two-fold. There is first of all a problem of definition as to what constitutes conflict of interest, and then once defined there is the problem of some systematic means of disclosure so that it will make any definition of conflict of interest meaningful. Or to put it in the converse it would seem as though having adequate definition of conflict of interest without disclosure thereof is - without disclosure of assets or interest - is doomed to be inadequate, and so is the converse to be regarded as inadequate. That is to say, having a requirement under Statute Law for disclosure but with an ill-defined concept or idea as to what constitutes possible conflict of interest. So we are in this bill attempting to do both. In a sense we are relying heavily on sections already existing in the Municipal Act for definition as to what constitutes the threshold of the beginning of conflict of interest or particularly of interest. In my own mind, sir, I tend to rely on the rather approximate definition of conflict of interest that it is that interest which a person who in holding public office, whether elected or senior administrative, is in a position to make decisions or vote on decisions which may affect assets which he or she have a substantial or material interest in. The difficulty arises in trying to quantify that which is a general interest and that which is a particular or personal interest.

And the Municipal Act interestingly has in Section 51, I believe, the figure of 5 percent

## BILL 37

(MR. SCHREYER cont'd) . . . . of the value of the assets of any given holdings, that if any person holds a greater percentage that it is deemed to be then a particular interest, and if it is less than 5 percent it is deemed to be small enough that when taken in the totality is to be regarded as not that great that it somehow is to be regarded as a conflict of interest.

It occurs I think to all of us that many who hold elected office, whether in parliament or the legislature, they may vote frequently on bills or resolutions which if passed will have a material benefit on the entire occupational group of which a given legislator is a member of. No one would suggest that that action constitutes a conflict of interest if a person voting, let us say, on agricultural product marketing legislation, and if an elected person happens to be a farmer because he is merely one of a group of, in the case of Manitoba, 30,000 to 35,000 in that occupational group, it seems to me it would require pretty illogical and unreasonable reasoning or definition of terms to conclude that therefore farmers who are legislators ought to desist from voting on all farm legislation that may come before this House because that person is part of such a large group that it cannot be said that he is voting or she is voting on something which will have a direct and particular interest benefit back to them. On the other hand, if a legislator votes on a measure which is of material benefit insofar as a given asset is concerned, of which the legislator may own all or half or a third or a quarter, then clearly that would be using an office in a way as to extend the personal gain, that is clearly a matter of conflict of interest, and cannot be countenanced by this or any other democratic assembly.

What is the threshold, sir? That's the sixty-four dollar question. And I suppose, in a sense, one cannot avoid finally settling on some particular figure which can always be described as being arbitrary, but a threshold figure must be chosen; and in the Municipal Act, as I said, the figure is 5 percent and we feel that it is at least tenable enough to be worthy of prime consideration in the context of this bill and in committee consideration on this bill as well.

The legislation, Bill 37, that is now before us, sir, therefore deals with both conflict of interest, definition, and disclosure of interest procedure. Schedules are attached to the bill which clearly outline the nature of the information to be disclosed. For those who are concerned about invasion of privacy - and that is of course the most fundamental concern, the one that ought to be first raised - I would repeat what I have indicated at previous initial consideration of this legislation last fall, that the legislation is designed to minimize to the greatest extent possible any intrusion or infringement into private affairs. It, like almost every other facet of life, is however a compromise as between the opposing needs to respect privacy on the one hand, and the need to provide for some better means of disclosing assets that may bear on public office and the responsibility on the other. Compromise in this, like in so many other things in life, is involved in this bill. I would say only that it seems to me if we were to go any further in terms of protecting, guarding the right of privacy, which we have certainly tried to do in this bill, if we were to go much further - or any further - I doubt very much that there would be any point to the legislation since it would be, in practically all of its intent, gutted. And if the legislation is eviscerated, then, sir, what is the point of even proceeding with it?

Where I believe that we have managed to maximize the protection of privacy is that not only is there no requirement for the disclosing of assets such as bonds and securities issued by the public domain - federal, provincial, municipal levels of government, United Nations, although that may be academic for the most part - it seems to me, sir, that by definition, if some of the potential assets that theoretically could be held by any person is excluded from the disclosure statement, then clearly it is impossible for anyone who wishes to snoop merely for the sake of snooping to ever be able to ascertain what the total net worth of any person is. By definition that is the case, and it seems to me, therefore, that that's a very important consideration here.

Now maybe I exaggerate the importance of that safeguard in my mind, but I certainly invite honourable members to ponder what I am suggesting now, namely that we do have a very adequate means here of guarding against unnecessary intrusion into private matters by deliberately excluding certain classes and kinds of assets which need not, and indeed ought not and must not be included in the disclosure statement, and if they were, sir, not only would it be an unnecessary intrusion into privacy, it would be quite unnecessary in terms of protection of the public interests since I do not see how disclosure of total net worth of an office holder has anything to do with the public interest. Yet I daresay that some honourable members opposite will . . .

## BILL 37

A MEMBER: . . . will ponder it.

MR. SCHREYER: Well not only ponder it, I daresay they will attack this legislation for reason that it is an intrusion into privacy. I feel that we have made some very tangible and specific safeguards here against unnecessary intrusion, although in the final analysis I suppose any disclosure, however warranted, is by corollary definition somewhat of an intrusion. It's a case of not being able to have one's cake entirely and eat it at the same time.

I should indicate to honourable members that there is no desire on the part of the government to push this legislation in time terms, and we are quite prepared to have this referred intersessionally to Committee on Statutory Orders and Regulations so that we can refine it even more. Although I think it is by now considerably refined legislation, nevertheless there is perhaps merit in looking at what other jurisdictions have legislated in this regard or at least what public statements have been made in the House of Commons and in other Legislatures, and to see then whether we are proceeding in a way that might be described as avant-garde in advance of other jurisdictions, or dragging behind others. It is my view that while a good deal has been said in the House of Commons about conflict of interest and guidelines to guard against conflict of interest, there has been little done beyond the Green Paper or White Paper stage, and we feel that we are moving with fairly good timing here, but I repeat that should there be any inclination, any sustained inclination on the part of honourable members opposite, we would be quite pleased and quite prepared to have this referred intersessionally for further consideration, even more refinement, and receive suggestions for any possible changes. Thank you, sir.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, let me direct the attention of the honourable members to the gallery where we have 62 students of Grade 5 standing, of the Maple Leaf School. These students are under the direction of Mr. Smolarski, Mr. Capper and Mrs. Enns. This school is located in the constituency of the Honourable Member for Rossmere, the First Minister. On behalf of all the honourable members, I welcome you here.

The Honourable Leader of the Opposition.

BILL 37 Cont'd

MR. SPIVAK: Mr. Speaker, I intend to adjourn the debate but I wonder if I could ask a question of the First Minister. I wonder if he can indicate whether a comparative study has been made of other jurisdictions - he mentioned in his initial statement that a comparative study had been undertaken - whether that comparative study would be available, and whether it would be available in relation to the particular sections of the Act that has been introduced and actually made available to the Legislature.

MR. SCHREYER: Yes, Mr. Speaker, we have such a charting based on some comparative analysis. We can up-date it and attempt to relate it to each section, and we can have that available for any intersessional committee. I would not want to give an undertaking with respect to the next week or ten days.

MR. SPIVAK: Mr. Speaker, I move, seconded by the Honourable Member from Brandon West, that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I wonder if you would now call the adjourned debate on second reading of Bill 44.

BILL NO. 44 - THE PLANNING ACT

MR. SPEAKER: Bill 44, proposed by the Honourable Attorney-General. The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. Mr. Speaker, Bill 44 on the Planning Act, I think is one that I believe every person realizes there is a desire to see some planning take place in the Province of Manitoba, and in doing so, the government has brought forward, or the Minister has brought forward a bill here which I would ask him to consider in the light of a few remarks I want to make to him this morning dealing in particular with probably just one aspect of it, and that is the appeal procedures that are written into the

## BILL 37

(MR. GRAHAM cont'd) . . . . bill, or perhaps I should say the lack of appeal procedures that should be incorporated in the bill. And when I talk about that, Mr. Speaker, I would like to take the Minister back over the course of the last four or five years, and review some of the legislation that this government has brought forward, and in particular some of the legislation the Honourable Minister of Municipal Affairs has had a significant part in.

I think it would be fair to say, sir, that there has been a remarkable attitude on the part of the Minister of Municipal Affairs in most of the legislation he has brought forward to date, to appear to be eminently fair to all aspects of society, and in fact to enshrine or enhance in legislation the rights of the individual and the protection of those rights. And we can see evidence in this Legislature, in this session, sir, in Bills 2 and 3, where the Minister is making efforts to make sure that individuals in society are not adversely affected and to try and improve and protect the rights of the individual. And I think that it's a very noble objective on the part of the Minister because I'm sure that he, such as many others, must have some leadership ambitions at some time or another, and I'm sure he would like to appear as the champion of the rights of the individual.

SOME MEMBERS: Oh-h-h.

MR. SHERMAN: That's the secret. Leadership ambitions.

MR. SPEAKER: Order please.

MR. GRAHAM: Likewise, I know the Minister of Mines and Natural Resources at numerous times - and I think that he probably has leadership ambitions too - has championed the rights of the individual in society.

MR. SHERMAN: That caucus is just torn apart.

MR. GRAHAM: I would like to see the Minister . . .

MR. SHERMAN: All of them want to be leaders.

MR. GRAHAM: . . . if he really has those ambitions to protect the rights of the individual, I would like to see him probably bring forward some amendments in this bill to protect the rights of the individual, because quite frankly, sir, I think that there is some area here that could be more clearly defined and more appeal procedures instituted in the legislation to protect the rights of the individual.

You know, I think over the past few years the Minister has done much to encourage the confidence of the various municipalities through the province, and in so doing has tried to enhance his own image - and he's been very good at it. But I don't think that he would want to have that image destroyed by one piece of legislation. That does not provide a consistency with his approach in the past. So I'm sure that when this bill goes to committee that he will be considering changes to protect the individual rights of the people of Manitoba.

Sir, I think we're now beginning to see some of the policies emerge that this government condones or in fact encourages, and I would think it almost fair to say that where the state is not involved, that this government will do everything possible to enshrine in legislation every available means that they have at their disposal to protect the right of the individual in society. But when the state becomes involved, then we find a slightly different attitude developing.

MR. ENNS: Right on.

MR. GRAHAM: If you look at this bill, you find that where the province has set up special planning areas, that there is not the same degree of appeal from ministerial direction as there is where a planning district is established, and I don't think that the Minister would want that discrepancy to remain there. I think that he would want the individual to have just as much right to appeal against the decision of government, of the Provincial Government, as they have against the municipal government.

The Member for Ste. Rose says, "What's wrong with the Ombudsman?" Well, you know, I was just going to raise that issue, because I want the Minister to tell us when he's closing debate just where the Ombudsman will fit into this program, because I can see a great deal of difficulty, sir, if we do not change or enshrine in legislation a better appeal procedure than presently exists in this Act. I think the Ombudsman could very well be flooded with claims of unsatisfactory treatment by government, and in effect the office of the Ombudsman could be rendered relatively ineffective just through the overload that would follow.

We have a rather strange setup regarding appeal in this bill, Mr. Speaker. We find that the Minister may designate any district, may designate any special planning area. We find

## BILL 37

(MR. GRAHAM cont'd) . . . . that the Minister establishes the Municipal Board - and that has nothing to do with this Act but he has already established that board - and if you have any appeal procedure at all, what limited appeal you have here is through the same board and the same Minister.

It seems like it's a very small internal family, that the appeal can go round and round but it doesn't go to any new people; it always ends up that the Minister and the Municipal Board are involved. And I don't know whether the Minister really wants that. I think he would want to appear to be fair to people. But I see no case other than the case of when it comes down to compensation. I find that is the only case in this bill where mention is made of using the civil courts as the means of settlement of dispute. So I would hope that the Minister will consider carefully making changes in this legislation to improve the rights of appeal of individuals against ministerial decision, Municipal Board decision, district planning decision, or special area planning. I think that it would make the bill much more palatable to individuals if they knew that their individual rights would be protected.

Sir, I've said this before on other bills, and I think maybe it's a standard that we should all look at whenever a new bill is introduced, that after the bill has passed, will the rights of the individual be more greatly protected than they were before, and will the individual be better off with this legislation than he was if it wasn't passed? I think that if you use those two criteria to assess any piece of legislation, I think that that in itself will be the deciding factor in whether or not the legislation should be passed.

So with those few remarks, Mr. Speaker, I again ask the Minister to consider carefully what he's doing now because it could reflect on his image if he has leadership ambitions, because words, you know, and actions, have a remarkable habit of being brought back to haunt you at some later date. I don't think he wants to see any bad legislation passed. I think he wants to see the rights of the individual protected, even to a greater degree once this bill is passed than there were before it was drafted.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I move, seconded by the Honourable Member for Rock Lake, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Bill 48. I understand, there is a desire that that be stood, Mr. Speaker. I now suggest that you give second reading on Bill No. 46.

BILL NO. 46 - THE GAS STORAGE AND ALLOCATION ACT

MR. SPEAKER: Bill No. 46, for second reading. The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East) presented Bill No. 46, The Gas Storage and Allocation Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. EVANS: Mr. Speaker, this Act embodies two fundamental concepts which would facilitate the conservation and more efficient distribution of natural gas in the Province of Manitoba, and it is the result of discussions, very extensive discussions that we've had with the industry, particularly with Greater Winnipeg Gas Utility, the major utility in the province which distributes natural gas, and by members of my Manitoba Energy Council on methods of ensuring a continuity of gas supply to our province.

We have been aware of predicted shortages of natural gas for the past year or so, and this awareness has caused the Manitoba Government to undertake a number of actions to avoid, or at least to mitigate the effect of gas shortages. This includes, Mr. Speaker, representations to the National Energy Board and the Federal Government against the continuing export of natural gas from our country. It has included participation in general hearings into gas supply and requirements in Canada and has involved also discussions at the ministerial level with the gas producing provinces, and lastly but not least, it is involved in investigation with respect to participation in the Polar Gas project.

But much of this action with respect to gas supply is limited to influencing decisions made outside the jurisdiction of the province. We can make our position known and we can

## BILL 46

(MR. EVANS cont'd) . . . . make various arguments to support that position, but the lack of indigenous sources of natural gas apparently limits the province in this area. This Act, the Gas Storage and Allocation Act, represents in contrast an initiative in an area where the Provincial Government does in fact have jurisdiction, and that is in storage and distribution of gas within our boundaries.

An understanding of the benefits to be derived from a storage facility requires familiarity with the nature of the demand for natural gas in the market area as well as with the basic structure of gas supply contracts. Our largest utility in the province, as I said, Mr. Speaker, is the Greater Winnipeg Gas utility which supplies the demand that is predominantly residential and commercial. Its customers use gas mainly for space heating. The demand therefore is not constant but varies from season to season with the highest requirement being in the winter heating months and the lowest requirement being in the summer months. As maximum daily or peak daily requirements have grown over the years, the utility has been trying to provide for these variations, for these peak demands in a number of ways. Generally it has been through techniques such as utilized by the utility as increasing gas purchases from suppliers in Alberta, where possible - this is in the past - the use of propane injection for what is known in the industry as peak shaving, and also to some extent the utility or utilities can and do cut back on what they refer to as interruptible industrial sales in order to supply the firm customers. Unfortunately there are relatively few interruptible customers and interruptible volumes in Manitoba, and this also therefore does not provide the Greater Winnipeg Gas utility with much leverage. Nor does our utility, or any of our utilities, have the flexibility of using natural gas storage as many utilities do in other provinces, including the Province of Ontario, in order to meet the peak day demand, that is, taking gas and storing it to be available in the winter. Storing it, taking it in the summer and drawing it out during the winter months.

Given the limitations of the traditional responses, that is, our traditional efforts to persuade the Federal Government and other provinces, gas-producing provinces, and given the fact that the price of natural gas is rising and has risen dramatically, the development of a gas storage facility has emerged as being a potential means of mitigating the effects of these predicted gas shortages, and once established the short-term advantages of the gas storage facility would be the ability to store what is referred to as valley gas during summer months to help meet the load requirements in winter peak months, and although the period during which predicted shortages will occur is of immediate concern, the establishment of a gas storage facility could have certain long term benefits as well. So given the nature of demand in Manitoba, Mr. Speaker, that is the winter peak day demand, which is about twelve times the daily firm load in the mid summer, and given the nature of the tariffs in gas supply contracts, that is the seasonal load disparities, the costly seasonal load disparities that the utility faces, a means of levelling the load over the year would be beneficial to consumers of natural gas in Manitoba. In fact the increased efficiency that a storage facility provides to a distribution system has been the reason for its present use in other jurisdictions.

Therefore, what I'm saying, Mr. Speaker, is that storage has now become an expedient in Manitoba because of the recent escalations in the price of natural gas. And because of these increases, storage and related services can be located at distances further away from existing transmission systems than was previously possible, and I refer to one particular geographical, or geological rather, phenomenon that now looks to be within economic reach, and that is the Daly field which is, I presume, probably entirely located in the area of the constituency of Virден. The Daly field which is an underground porous rock formation is a potential storage area for us.

Part I of the Act is to provide for the exploration and if technically possible, the development and operation of a natural gas facility, and I would like to provide a bit of detail on the storage aspects which are covered in Part I. This part is designed to provide a mechanism under the supervision of the Oil and Natural Gas Conservation Board whereby a gas storage company could secure what are, in effect, exploration rights to determine whether a suitable natural underground storage facility or economically viable phenomenon exists. Any such permit would be made subject to all appropriate terms and conditions by the Oil and Gas Conservation Board. Once an area has been designated for the purposes of such exploratory activity, only a person or company holding an exploration permit would be entitled to perform such work in the area, and only one permit would be granted at a time in any such designated

## BILL 46

(MR. EVANS cont'd) . . . . area. If the exploratory work established the existence of a suitable underground facility, the Oil and Natural Gas Conservation Board would be empowered to grant a further permit, again subject to all appropriate terms and conditions authorizing the applicant to use the facility for the purposes of natural gas storage. The terms and conditions referred to would include the relative rights of surface or sub-surface access or usage and also the measure of compensation entailed. Once a gas storage facility had been established and was ready to go into operation, the operations of the storage company which would conceivably be handling gas for all Manitoba gas distributors, that is, the three utilities that are now in existence, would come under the regulatory authority of the Public Utilities Board which would then fix a proper tariff of fees. This tariff would be based on the customary utility principles of a fair rate of return on the investment involved, and the storage company would thereafter be empowered to charge such fees to those distributors using its facilities.

I'd like to then comment for a moment on the allocation aspects of the bill. It is possible - I commented on the supply side - it is possible considering the demand side that the Public Utility Board will have to extend its operation into covering the disposition of the natural gas that is stored in the facility referred to. Although we do not look forward to the prospect of having to allocate supply, nevertheless effective planning requires that flexibility be built into a framework of action to accommodate such possibilities, that is, the possibility of increasing shortages in the many years ahead whereby priorities may have to be given, may have to be allocated. Once again, the shortfalls, I would remind members that the shortfalls of supply in totality is a problem that is really national in scope and because of this we will continue, the National Energy Board, to act on the question of the gas supply within Canada, and particularly with regard to existing exports.

We have asked the National Energy Board to schedule a hearing into the matter of allocating available gas supplies among the provinces on some basis other than that currently in effect. The TransCanada Pipeline, the transmission company which supplies utilities situated east of Alberta is committed to supply only currently contracted volumes. Given that no new contracts are being made, this is in effect the way the supply has been allocated along its system, and in due course the original gas contracts made 20 years ago will be running out. And I submit, Mr. Speaker, without Federal Government intervention this will continue to be the way until the distribution companies are able to contract for and arrange transportation of more gas.

But again within the Province of Manitoba the gas that we have available to us in the storage facility, we're suggesting that the Public Utilities Board should be the controlling entity of such a plan as it's had the experience of regulating that industry since its inception in 1957 and would be providing the necessary broad perspective. Without wishing to get into the details, suffice to say that we find the concept of allocation by end use preferable in the short run to measures such as price adjustments given that certain types of consumers cannot really adjust their consumption patterns. Such measures such as the rationing . . . that is rationing by price would merely impose economic hardship on those consumers without necessarily moderating the demand. At any rate, Mr. Speaker, Part II of this Act provides the mechanism for gas allocation plans and end use control should these steps prove necessary.

So one last comment that I would make, Mr. Speaker, is that in Part II of the Act, the gas allocation part, we provide that available and prospective supplies may be allocated in accordance with the plan authorized under this Act, and designed generally to give highest priority to residential demand, followed by commercial demand, and then followed by industrial demand. In other words, industrial usage would have the lowest priority. The authorization for such a plan would come after the Public Utilities Board was satisfied from evidence taken at public hearings that a distributor's contracted gas supplies were insufficient to meet all its consumers' demands.

Oh, yes, and one other item. Provision is made for exceptions to this general order of priorities where such exceptions are determined to be in the public interest. For example, certain institutions such as hospitals would be accorded the same priority as residential demand, even though hospitals are now considered to be commercial customers, and this would deem to be in the public interest, that is, giving the hospital the same priority as a normal residential customer, and this will add an element of flexibility to what might otherwise be too arbitrary a system.



## BILL 46

(MR. EVANS cont'd)

Part III of the Act, Mr. Speaker, provides for some administrative details.

In conclusion, what we are attempting to do, Mr. Speaker, is to make it possible for those interested to explore what has been referred to as the Daly field, a geological phenomenon that might, and I underline the word might, provide for some economically feasible gas storage, and if this proves to be economically feasible, then we will have gone a long way to alleviating what looks to be an ever-increasing shortage of natural gas for use in the Province of Manitoba. Thank you.

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

MR. GEORGE MINAKER (St. James): Mr. Speaker, I wonder if I could ask the Minister a question before I adjourn debate. I wonder if the Minister's notes will be available for us to scan, because of the shortness in time and the speed-up that it would be useful if some of his brief notes were made available, particularly under Section 2 and 1.

MR. EVANS: Yes, Mr. Speaker, I will endeavour to have some copies made of these notes, and I'd like to ask, Mr. Speaker, through you, how many copies the Opposition require. One for each party. All right. Thank you.

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

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

MOTION presented and carried.

BILL NO. 56 - THE LANDLORD AND TENANT ACT

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Bill 56, please, sir.

MR. SPEAKER: Thank you. The Honourable Minister of Consumer, Corporate and Internal Services.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne) presented Bill No. 56, an Act to amend The Landlord and Tenant Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. TURNBULL: Mr. Speaker, I can appreciate that the Member for Fort Garry does want these amendments explained because they are rather technical. I can also imagine that he would call across the floor to me that he wants an explanation because the number of this bill to amend the Landlord and Tenant Act this Session has a very historic number, Bill No. 56. Bill No. 56 a few years ago, you will recall, was the bill number designating the bill to introduce the Manitoba Public Insurance Corporation, and consequently I thought perhaps the Member for Fort Garry was concerned that these amendments would contain something that would be similar to MPIC. I can assure him that that is not the case. These amendments are, I think, rather routine. They do clarify some ambiguities that have arisen from the administration of the existing Landlord and Tenant Act.

The original Landlord and Tenant Act was, of course, one of the first in Canada and it has been administered over these last few years. That administration has of course revealed certain problems. These amendments are intended to lessen the problems, and in general these amendments are intended to lessen areas where, because of ambiguity, dispute can arise.

Honourable members will recall that in 1970 the Act to amend the Landlord and Tenant Act was introduced following extensive study of landlord/tenant relationships by a legislative committee. The Act introduced improvisations to the Landlord and Tenant Act to apply to residential tenancies. The purpose was essentially to redress an imbalance that had existed for many years. That imbalance was due to inordinate powers and privileges that the landlords had by right of property ownership, and those rights, before the passage of our Landlord and Tenant Act, I think tended to be detrimental to tenants.

The new provisions of the Landlord and Tenant Act are administered by the office of the Rentalsman, and this was, I believe, the first such office established in Canada. In the years 1971 and 1972 additional amendments were passed. Some of these were of a house-keeping nature while others proved necessary to improve understanding of the objectives of

## BILL 56

(MR. TURNBULL cont'd) . . . . the new legislation by both landlord and tenant.

Since the last amendments in 1972, the implementation and effect on landlords' and tenants' relationship has been continuously monitored by the office of the Rentalsman. Further amendments are now desirable because of the problems that have arisen in the administration of the Act, primarily because of some words that were omitted or not overly clear in the existing legislation. These amendments are incorporated into this Bill 56.

The first of these categories of amendments, Mr. Speaker, is housekeeping amendments, and they revise the present wording of some subsections to remove the ambiguities and to clarify the intended interpretation.

The second category of amendments will establish procedural requirements that are in line with present practices and the intent of the Act, but in the absence of specific requirements, failure to follow the intended procedures contribute to landlord and tenant disputes. The proposed amendments do not change the intent of the Act here or introduce new concepts.

It is rather difficult to deal with the various series of amendments in the bill. I have some explanatory notes here which I will go into now. I have distributed to members, with the bill, a long series of explanations of each of the changes in the amending bill, and I hope that members have had the opportunity to review these explanations, these explanatory comments, because they are much more detailed than what I'm going to provide at the moment in these explanatory notes I have before me.

Mr. Speaker, a landlord will have, under these changes, to issue a receipt for security deposits. In the absence of such requirement, some landlords have not issued receipts, so disputes can arise as to whether a payment in advance of occupancy was part payment of rent or was in fact meant as a security deposit. The receipt will state the purpose and the amount of the payment as well as the date it is paid. The issuance of these receipts will facilitate settlement of security deposit disputes; and although some of these security deposit disputes do not involve a great deal of money, they are of course a source of trouble sometimes unless both sides of the arrangement, both the landlord and the tenant, do understand clearly what is being undertaken and what has been paid out.

Also, Mr. Speaker, the present wording of the section pertaining to a tenant's privacy allows a landlord to show the premises to a prospective tenant after a notice of termination has been given. The Act, however, does not actually confer on a landlord the right to show the premises. This right of the landlord will be provided by a condition of the tenancy agreement.

Again, the period of notice that is required to be given by an agreed landlord or tenant to the other party, where the other party is failing to meet his obligations under the Act or the tenancy agreement, requires clarification. Not all tenancy agreements are required to be in writing. However, there are instances where landlords claim that a tenant has verbally agreed to rent premises for a specific period of time and then goes out of occupancy before that period has elapsed. The tenant denies that any such verbal agreement existed. Nevertheless, landlords may pursue a claim for additional rent from the tenant. Under such circumstances it is extremely difficult to determine whether an actual term agreement existed on a verbal basis, and the effect of this change will be to require that where a term tenancy is intended, it shall be in writing.

Mr. Speaker, the last amendments in the bill are more significant, and I expect that they will impact favourably on landlord/tenant relations. The first of these more significant changes is to require that certain changes be accomplished or be written into the amendments. It is presently required, that although a tenancy agreement is in writing and provides for a predetermined expiry date, one or two months' notice of termination, depending on the term of the agreement, must be given by either party if the tenancy is to be discontinued. This requirement has had the effect of changing a longstanding principle that a tenancy agreement terminates on the predetermined date. The requirement was consistent with the necessity for a landlord to give three months' notice of an increase in rent and in view of the tenant's right to continue in occupancy. I hope members are following this rather involved explanation.

It is proposed that where an agreement has a predetermined expiry date and the tenant does not wish to continue in occupancy, he can go out of possession on the expiry date without giving the presently required period of notice. At the present time, if a tenant moves without giving notice, the landlord could claim against him for rent in lieu of notice. From the

## BILL 56

(MR. TURNBULL cont'd) . . . . landlord's point of view, he may find himself with an unexpected vacancy on the expiry date of the agreement because he expected the tenant to continue in occupancy since he had not given notice to terminate. Well, the proposed change will remove the notice requirement, and the tenant's right to continue in occupancy will still be protected, and appropriate procedures for implementation of this right will be more clearly defined.

I hope members opposite have got that. I see the Member for Swan River is chuckling, and I must confess every time I read it over I have a chuckle too.

It is intended, though, to clarify, if you can believe it, some of the ambiguities in the Act, and will enable the landlord to more clearly explain to the tenants and to reach a better, clearer understanding with the tenant as to just what their obligations are.

A tenant's right to continue in occupancy is subject to certain valid reasons a landlord may have for obtaining possession. One of these is that the landlord requires the premises for his own occupancy. It is suggested that this be expanded to include cases where the landlord genuinely requires the premises for occupancy by a member of his immediate family. It did not seem to me, Mr. Speaker, that where a man did own, say, for example, two properties and rented one of the properties, that he could not have that second property for his immediate family, say a recently married daughter, and therefore I have introduced this change.

I have stated earlier that where both parties to a term agreement do not wish to continue in the agreement, the tenancy will terminate on the expiry date of the agreement without further notice. It is necessary, however, to ensure that the tenant is aware of his right to continue in occupancy, and that if he wishes to do so, he should have adequate warning if the landlord proposes to increase the rent. To assure that the tenant has this knowledge, the landlord, unless he has been notified by the tenant that he will not continue in occupancy, will submit to the tenant a new agreement at least three months prior to the expiry of the existing agreement. The tenant, if he has not previously notified the landlord of his intentions, will be required to refuse or sign the new agreement two months before the existing agreement expires.

Mr. Speaker, this will enable the landlord to know where he stands with respect to the tenant's intentions. If the tenant refuses or neglects to sign the new lease agreement within the required time, he will have effectively given notice to terminate, and will have no right to continue in possession. Should the landlord fail or refuse to offer the tenant a new lease agreement as required, the tenant may continue in possession on the same terms and conditions, including the amount of rent, as previously, for a period of six months. This provision I regard as perhaps the most important of the changes I'm introducing for Second Reading today, because it does clarify a situation where a tenant just by not notifying the landlord of his intention to go out of occupancy, could leave the landlord holding the bag - that is having a vacancy - and I don't think that's right.

By stating the right and obligations of the parties where the tenant wishes to continue in occupancy, the present ambiguity that exists in the term "to renew the tenancy agreement" will be obviated, and the tenant will have a specific obligation to enter into a new term tenancy rather than simply refusing to sign an agreement for a specific period of time and then trying to continue in occupancy on a period to period basis with freedom to move at any time on giving one rental payment period notice and leaving a landlord with this unexpected vacancy.

Disputes as to the right of a tenant to continue in occupancy will continue to be considered by the Rentalsman, with provision to appeal to the court if either party is dissatisfied.

Another change, Mr. Speaker, is, where a tenant is in arrears of rent, a landlord is required to serve a demand for payment and they subsequently have to serve a notice to terminate. This creates a delay in a landlord's course of action, and it is desirable that the landlord be able to make the demand and give notice to terminate the tenancy at the same time. Additionally, the four-day waiting period that must elapse between the day of the landlord's filing of an application for an Order for Possession and the actual acceptance of the order by the courts, will be removed. The tenant will still have adequate time within which to correct his default.

Another change, Mr. Speaker, deals with the problems arising mostly in our northern communities. The problems arise because of delays in having a judge hold a hearing. At present, delays of as much as one month may occur before a county court judge is available to hear an application. In addition, in the North, landlords have to incur considerable expense

## BILL 56

(MR. TURNBULL cont'd) . . . . in travelling to the nearest county court. Well, because of the problems arising with the county court, both these problems will be alleviated by allowing provincial judges to hear such applications. These judges do attend more frequently, and they attend in most communities on a more regular basis. Therefore we're making this change.

One amendment will deal with notices of rent increases. Some landlords have included notices of increases in tenancy agreements at the time they are signed, and then claimed the right to increase rents without further notice. This means that some tenants, those having no written agreement, would get a full three months' notice of rent increase, but others could face an increase at any time during the term of a tenancy agreement. All tenants should be treated equally and all tenants should get a three months' notice.

To continue, Mr. Speaker, with the changes. Landlords should not include provisions in tenancy agreements that are contrary to the Act. This is a rather cute practice of some landlords, sir. There are certain provisions that the Act prohibits as practices of a landlord, and yet I'm advised some landlords have been including these provisions in their tenancy agreements. Although these provisions are not enforceable under the Act, they can be used with an unknowledgeable tenant to extract certain concessions from the tenant. So these provisions are going to be stipulated as being inappropriate and not to be included in agreements.

All of the proposed amendments will make further contribution to improvement of landlord and tenant relationships by, as I say, clarifying ambiguities and establishing clear procedural requirements, and I think that, on study, will be shown to more clearly define the respective responsibilities of landlords and tenants, and I think that clarity in statute law is a goal that should be worked towards. These amendments, as I say, come as a result of the administration of the Act and I think that the amendments will accomplish the purpose of lessening landlord and tenant disputes.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Speaker, I move, seconded by the Member for Minnedosa, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Urban Affairs, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER: The Honourable Member for Morris before I put the question.

#### COMMITTEE SUBSTITUTION

MR. WARNER H. JORGENSEN (Morris): . . . I rise on the substitution on the Law Amendments Committee. I'd like to move that the name of Mr. Enns be substituted for the name of Mr. Brown on the Committee on Law Amendments.

MR. SPEAKER: Is that agreed to? (Agreed)

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

#### COMMITTEE OF SUPPLY - DEPARTMENT OF LABOUR

MR. CHAIRMAN: Resolution 74(5) (a)-The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Chairman, at the conclusion of yesterday's consideration of this particular resolution, we just moved into a very interesting phase of debate, initiated by the Minister, based on some debating issues and proposed resolutions that went before the recent Policy Convention of my Party for discussion and consideration in the labour relations field. As I pointed out at the time, I think the Minister was rather hopeful that he might get away with the impression that he was relating to the committee positions that had been specifically adopted by the Party, but fortunately I think we were able to correct that erroneous impression and bring the Minister back onstream, and have him acknowledge that he was dealing with proposals that went before the Policy Convention but did not demonstrably reflect the consensus of the Conservative Party itself, and did not translate themselves necessarily into finished resolutions adopted by the convention.

However, as the Minister pointed out, there were proposals, proposed resolutions, points of debate that were forwarded to the convention for consideration by delegates, most of

## SUPPLY - LABOUR

(MR. SHERMAN cont'd) . . . . whom, if not all of whom, admittedly were of the Progressive Conservative philosophy, and as a consequence it's certainly incumbent upon me to acknowledge that those positions were positions that were advanced by Conservatives. They didn't necessarily reflect a consensus by any means but they were positions that were advanced by individual Conservatives, or individual Conservative groups, as suggestions in the areas of policy that should be examined and considered by the Party at large and in general.

So I concede the Minister that point, but I come back to the point I was trying to make in rebuttal at the time when the committee rose yesterday afternoon, sir, and that is that certainly in the Party to which I belong, and I presume in the Party to which the Minister belongs, it is a normal course of action and procedure for groups, individuals, different committees, different seminars, different policy thinkers, to come up with ideas and proposals that may in fact be widely controversial and contentious but that represent questions and issues that the Party wishes to face; proposals, suggestions that the Party wishes to address itself to, to examine, to assess, and to come to some conclusions on. That is certainly normal, democratic procedure in the Progressive Conservative Party. I would suspect that it's similarly the regular and normal procedure in the New Democratic Party. Because for purposes of comparison, and just as a matter of interest, Mr. Chairman, I have taken the trouble to acquaint myself with some of the proposed resolutions that have been before the New Democratic Party of this province in recent years and they make for some pretty interesting reading themselves, as I suggested, sir, yesterday they might do.

The Minister, for example, yesterday spent some considerable time on the suggestion before the Policy Convention of my Party that we look as a party and as a collection of Manitobans concerned with the economy and with the harmony of the industrial relations scene, that we look at the subject oft mooted across the land of vital and essential services, and that we address ourselves to the question of whether or not there might now be some services of a vital nature, or an essential nature depending on the specific semantics agreed upon, in which it was not in the public interest to permit employees to go on strike. That, I think, is a pretty valid subject for examination. I'm not prepared to say, and my Party is not prepared to say, what final and definitive conclusions one should reach in the interests of the economy and the interests of the welfare of the province on a question like that, but I am prepared to say, and my Party is prepared to say, that that is a valid suggestion, it's a legitimate concept, and any political party worth its salt should be responsive to suggestions and to concepts of that kind, at least from the point of view of examination. And so we examined it. We did not come to any specific conclusion, although the Minister tried to suggest that we did come to the conclusion that there are certain areas, certain services, certain fields, in which the strike should be banned and barred.

Then he went on to say that we didn't identify what those vital services were. He went on to say that we made reference in the preamble to our resolution to such vital services, but nowhere did we determine what those vital services were. We just sort of left the thing as a carte blanche kind of condemnation of the strike.

Well, sir, without knowing it, the Minister was really colliding accidentally with the truth although it certainly was not his intention. Because the fact of the matter is, sir, that we came to the conclusion that that resolution should be referred back, should be referred back to the Policy Formulation Committee of our Party to try to determine what in the view of Conservatives generally is meant by the term "vital service" or "essential service." How many vital services are there? I suppose all of us would say that every service, virtually every service that is legal, that is law-abiding, is an essential service in this society of ours. But I think it would be pretty pedantic and pretty intellectual and pretty unreasonable to suggest that there are not a few services that perhaps constitute, or in themselves consist of a nature more vital, more vital to the welfare and the well-being and the survival of a society or a community than others. The police service and the fire service, the fire department service, to name just two. I don't know how many more than those two there are. There may well be six in the view of most members of this Assembly, or there may well be ten, but I suggest there are some, and you would start with those two.--(Interjection)--Well I am suggesting to members that this is a subject that is open to a considerable range of opinion, and as a consequence that resolution and the preamble to it, and the proposed resolution in full was referred back to the executive and to the Policy Committee of the Conservative Party to try to come to some

## SUPPLY - LABOUR

(MR. SHERMAN cont'd) . . . . conclusions in that area as to what vital services are. If we can't come to those conclusions, presumably we will not be able to formulate a reasonable, viable resolution, and none will ever emerge from any future Policy Convention of the Party. But if we can come to a conclusion, I'll tell you this, the Progressive Conservative Party will have the intestinal fortitude to propose a resolution of that kind. I think there are a good many persons in the political arena in Manitoba who are not Progressive Conservatives who would not have the intestinal fortitude to produce resolutions that are perhaps unpopular, perhaps controversial, but are necessary to meet some of the problems that confront the economy today.

I take great pride in the fact that for all the criticisms heaped on us from the Minister's side, and based on a false premise as I pointed out, for all those criticisms we did at that Policy Convention come up with some gutty proposals that deserve examination. We didn't duck the issues, we didn't come up with motherhood proposals that anybody can subscribe to and that simply contribute to a further deterioration of the economy. We came up with some proposals that may be highly unpopular, may never prove to be viable or workable but at least ask Manitobans to address themselves to some of these problems, and to try to come to reasonable equitable conclusions as to what is best for all segments of society, and that includes, labour, management, government; that includes our elderly people, that includes our children, that includes of course the whole industrial spectrum starting with agriculture. And it is really in this context that any resolution in this field, I suggest, should be developed, not from the point of view of what is good for one particular segment of the community but what is good for everybody because certainly policies that are good for one segment, for example, the labour segment, but at the same time bad for management, bad for investment, bad for enterprise are in the long run going to prove to be bad for the labour segment, because they are not going to have the job opportunities that would otherwise be created. So I say we acted with honesty, with intestinal fortitude, and with forthrightness, in producing some resolutions that deserve some honest examination, that were not rapid, vacuous motherhood proposals.

Now let us move on for one moment, Mr. Chairman, and just for purposes of comparison and general interest, let us look at some of the proposed resolutions that my friends opposite, the colleagues of the Minister of Labour, have considered at some of their recent conventions. And these are very recent conventions in the same sort of time frame as the Policy Convention of the Progressive Conservative Party to which the Minister referred. We had before a recent NDP Convention, a proposal, for example, that there should be replacement of unsympathetic civil servants in important positions by persons sympathetic with NDP aims. Now that may well have become more than a proposal. That may well have become more of a policy.

MR. ENNS: That's not a proposal, that's policy.

MR. SHERMAN: There is an interesting resolution for a party to consider, Mr. Chairman. We had a resolution . . .

MR. ENNS: A constitution for the welfare and the economy of the NDP Party.

MR. SHERMAN: They had a resolution before them calling for doctors trained in Manitoba to be required to practice in the province for at least ten years. Now there's an interesting authoritarian, dictatorial, totalitarian kind of a resolution to be considered by a Policy Convention, Mr. Chairman.

Oh, here's an interesting one, Mr. Chairman. A proposal to end federal NDP support of the Federal Liberal Government. Now that's a beautiful one, Mr. Chairman. They're so badly locked in to being fellow travellers and supporters of that inept government in Ottawa that they've got to propose a resolution to get themselves out of it.

A MEMBER: Out of bed with Trudeau.

MR. SHERMAN: Out of bed.--(Interjection)--Well that's true. But as my colleague from Lakeside says, a resolution to get out of bed with the wrong partner. That's an interesting one.

We have a resolution here to nationalize - no, to expropriate cable television, and my friend the Minister of Consumer and Corporate Affairs would be very interested in that one.

Another one proposing government takeover, complete takeover of the mining industry. That has gone perhaps substantially beyond the point of mere proposal, Mr. Chairman.

## SUPPLY - LABOUR

(MR. SHERMAN cont'd)

Now here's one, here's a dilly that all of us will be interested in. A proposed resolution to have no increase in Autopac premiums. How do you like that? There's a beautiful one. These are fighting, gutty resolutions that we could all subscribe to, Mr. Chairman.

Now we have a proposal for provincial entry - and I think some of us would agree with this - into the funeral parlor business on a competitive basis. I don't know whether that was drafted . . .

A MEMBER: They want to get you coming and going.

MR. SHERMAN: Was that one drafted before or after the Minister of Health assumed his recent seat in the councils of the mighty in the NDP government?

Mr. Chairman, there is one here that proposes legislation requiring all companies operating in Manitoba to contribute to an employee-controlled fund so that over a reasonable period of time, the fund could purchase 50 percent of a company's share capital. If that is not socialism gone mad without any consideration for the, you know, the initiative and the enterprise and the risk-taking of the entrepreneur who wants the business, then I don't know what socialism gone mad adds up to. I don't know what socialism gone mad is?

Mr. Chairman, there are two or three others that are equally stimulating and equally provocative. There is one here that proposes extension of the vote to criminals, mental patients who are voluntarily committed, and judges. So we get that whole questionable community, you know, that whole community, you know, surrounding which there may be some substantial doubt as to their intellectual capacity, of judges, criminals and mental patients, and they're all going to be freed now and let out of their cages and given a vote. That's an interesting one.

Well, Mr. Speaker, the thing goes on and on. I thought the Minister would enjoy perhaps being reminded of some of the proposals, some of the mighty proposals with which he and his colleagues have wrestled at recent policy conventions. Just by way of demonstrating that all of us, Progressive Conservatives and New Democrats alike, and doubtless the Liberals too, occasionally fall into that unfortunate trap of permitting ourselves the responsibility, if not the luxury, of looking at proposals and examining them no matter how far out, no matter how controversial, no matter how unacceptable, simply to arrive at the democratic process of exchange of idea and opinion as a means of coming up with a pathway to follow. And I cite that simply to underscore, underline for the Minister, the fact that the proposed resolutions from our policy convention with which he confronted us yesterday were addressed and challenged with that policy, with that attitude and that philosophy in mind, the attitude, the philosophy of open consideration and discussion of all possible alternatives, out of which we hope will come a course of action that will produce not only harmony in the industrial relations field, but strength and progress and some viability and some help for our economy.

Now, sir, the Minister had a number of interesting things to say in response to comments from my colleagues, the Honourable Member for Gladstone and the Honourable Member for Roblin in particular, in the sphere of productivity and wage parity, and the kinds of directions that we're moving in with respect to the ability of our economy to sustain the burdens that it's now carrying in terms of taxes, in terms of living costs, in terms of wage increases, in terms of the never-ending battle to keep up with somebody in another part of the country or another part of the continent. And I recognize the reality of that battle. But my colleagues from Roblin and Gladstone introduced the problems of the agricultural community, the problems of the small rural community, the problems of the farmer in particular, in attempting to maintain a viable business in the face of the labour problems that seem to beset them perhaps more heavily than anybody else in the country and in the economy. But we didn't really get much of a response or much of a sympathetic reaction from the Minister to those arguments and to those challenges, which are deeply important challenges. And on the subject of the parity productivity discussion and on the subject of our Canadian economy, and, by definition, therefore, Mr. Chairman, the subject of our Manitoba economy, I would ask the Minister to consider this:

We've gone far beyond parity in industrial wage areas with the United States in the past six years. For years the cry of the Canadian worker was parity with his U.S. counterparts, but in the past six years we've gone far beyond parity in many areas on the industrial scene. And I ask the Minister this: What have we accomplished in comparative productivity? What

## SUPPLY - LABOUR

(MR. SHERMAN cont'd) . . . . have we accomplished by comparison in the area of productivity which has to be inextricably linked to wages or else we're headed right down the road to economic disaster? And the Minister has been a trade union man, has been a worker, has been a government executive, an administrator, long enough to understand that point with far more knowledge and clarity than most of us in this Chamber.

Mr. Chairman, let me just leave with the Minister for his consideration - and these are factors that relate basically to the Canadian economy generally but we can't opt out of that economy, and I suggest they're pertinent and relevant in discussing industrial relations and the economy generally in Manitoba, and the province of this Minister's responsibility:

Wages in the Canadian pulp and paper industry, Mr. Chairman, now exceed wages in the pulp and paper industry of the United States.

Wages in the food and beverage industry in Canada now equal those paid in the food and beverage industry in the United States.

Wages of manufacturing workers in Canada, which stood some 14 percent below their U.S. counterparts six years ago, now stand two percent above corresponding American wages. And over and against all this, Mr. Chairman, current statistical comparisons apparently demonstrate that the average Canadian worker produces 10 percent less in goods and services than does his U.S. counterpart.

Now, sir, the First Minister has talked about a lunacy let loose upon this land, but I ask the First Minister's colleague, the Minister of Labour, what kind of madness is this? What kind of madness is this, when we have the achievement of and the over-reaching of, the exceeding of parity in the wage field, and we're producing per man per woman in goods and services 10 percent less than our counterparts in the United States, the strongest economy in the world?

Now that's the parity productivity pain, Mr. Chairman, that at least in a localized way my colleagues from Roblin and Gladstone were referring to yesterday when they raised the cry of the difficulty of the agricultural community, the small western world community, based on agriculture, in the face of the labour problems and strike situation besetting us today. Those two members were trying to impress upon the Minister the madness and the inequities of this kind of situation. I would have to say that the Minister, in my view, chose pretty much to ignore the argument that they were delivering and the difficulties they were alluding to. He chose to resort instead to an examination of the proposed resolutions that faced the last Progressive Conservative policy convention here, and we've covered that ground; I'm not going back over that. But I wish that he would address himself to those very legitimate, very valid questions, challenges, difficulties that were raised by those two members, and to the whole madness of the whole situation which I've just tried to point out to him when we look at the parity-productivity picture.

No manner of debate for debate's sake, no manner of bluster, no manner of plan and counterplay between the Minister and myself on proposed policy resolutions at our respective party conventions, can cover up the fact that there is indeed a lunacy, if you like, or a madness, taking place in this field when we allow ourselves to get into that kind of a situation. And the Minister, I know, has a localized, regionalized area of responsibility only. He cannot be held responsible in any way for the condition of the Canadian economy generally, but he is one of eleven Labour Ministers in this country - 10 provincial and one federal - who have got to be addressing themselves to this problem almost daily, I would suggest, if we're to find our way out of this difficulty before we hit complete economic disaster.

That's the challenge that I leave with the Minister, not the - as I said at the outset of my remarks when we got on to his estimates a few days ago - not the five dollar bill here or the ten dollar bill there for purchases of particular equipment used in the running of his department, but the major problem of potential or incipient economic disaster that is going to take the most earnest efforts of all of us and the non-partisan efforts of all of us. I note that in Ottawa there has been recently a tripartite advisory council set up involving government, labour and business representatives, which has been commissioned to suggest ways to improve industrial relations and collective bargaining, and to work with the federal Labour Department in that field. I would hope that this Department of Labour and this Minister are part and parcel of that operation, and that they're also considering setting up a counterpart, a similar type of council here, to try to bring some successful approaches to the Manitoba



## SUPPLY - LABOUR

(MR. SHERMAN cont'd) . . . . industrial relations scene. So let us leave the competition between proposed resolutions of policy conventions aside for a lighter moment and a lighter day, and let us come up with some firm leadership from this Minister and this department, and some expressions of leadership, some indications that can give us some sense of hope and some reason for feeling that there might be some possible solutions being worked out, being developed by him and by his department at the present time.

INTRODUCTION OF GUESTS

MR. CHAIRMAN (Mr. Jenkins): I wonder if I could just draw the attention of the honourable members to the gallery where we have 28 students of the Peguis Central School, of Grade 5 standing, under the direction of Mr. Carelse and Mrs. Mulholland. This school is located in the constituency of the Honourable Member for The Pas.

SUPPLY - LABOUR Cont'd

MR. CHAIRMAN: Before I recognize the Honourable Member for Sturgeon Creek, I would like to just bring the members' attention back to - we are on Resolution 74, and I agree with everyone else that a certain amount of levity is desired in this Chamber, but now that we've settled the conventions of the New Democratic Party and the Progressive Conservative Party, I think we should get back to the resolution under discussion. The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Chairman, I'd like to speak briefly to the Minister regarding the present situation in Manitoba regarding the construction industry, and I would like to say to the Minister that I have had no information as to whether he's had a request to intervene, or anything of that nature, but I'm sure he fully realizes that the carpenters have been on strike for five weeks and it doesn't seem to be a monetary situation or a fringe benefit situation at the present time; it's a situation whereby the 30-mile limit that I'm sure the Minister is aware of, the contractors that are members of the Builders Exchange are being asked by the Carpenters Union that if they hire people 30 miles out of Winnipeg that those people must be members of the union. Now this is something that I know they've discussed for years, and I would certainly hope that they could find some way of solving it because, as I said, it's not really a salary or fringe benefit to the worker; it's something between the two that I would like to see settled.

The other thing is that they are asking that all sub-trades on the Builders Exchange jobs be recognized as union shops, and I am sure that there's no argument in that respect except that if somebody comes in from Saskatchewan voting on one of our jobs and he hasn't signed the contract, it puts our people in a very disadvantaged position. And here again we have something that is a technicality and would hopefully be settled.

The insulators and the sheet metal men have not signed as yet and, Mr. Chairman, I am concerned regarding the labour relations between the management and contractors and the unions at the present time for one reason only. As you know, we have to get started on construction jobs in Manitoba as early in the spring as we can or else we end up into a very expensive type of construction. We end up having to heat buildings and if we have to go further and hoard them in, in the wintertime for construction, it becomes, oh, sometimes close to 40 percent more in cost to build that building.

My concern, Mr. Chairman, is, if we can't get these people together and working again getting the work started, and I can assure you there is quite a bit of work on the drawing boards when the architects build the shops, we would have owners of buildings starting to say, "Well, I'm going to leave it till next year," and if that happens, my concern is a very serious unemployment situation during the winter. And I'm sure the Minister does not want to look forward to that; I don't think anybody in this House does. So I would ask the Minister if he has had any, well, let's say relation, or had any request, or has he been looking into this matter at all, because it's not the case of whether they sign tomorrow or they sign today. We could be looking at the construction industry seeing a lot of unemployment this winter if the buildings don't get started pretty soon.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Chairman, I would like to take advantage of this opportunity to make a short contribution to this particular item on the estimates, since it is of considerable

## SUPPLY - LABOUR

(MR. JORGENSEN cont'd) . . . . concern to a good many people across this country, as indicated by the Minister's opening statement.

I've been sitting through most of the consideration of the estimates of the Department of Labour, and I must confess, sir, that for the initial period of the consideration of estimates for the Department of Labour I was somewhat concerned about the attitude of the Minister. Instead of his usual blustering, arrogant self he was so mild and so meek and so condescending, so co-operative, that it didn't seem like the same House and it did not seem like the same consideration of estimates, and I felt somewhat misplaced. Indeed, sir, on one or two occasions I thought I should rise and bring him back to his usual self, but decided against that because the estimates have progressed, I think, in such a way that there has been a very serious consideration of this whole question, and that, sir, is indeed as it should be. The Minister had one lapse and we will give him that. There is no possibility that this Minister of Labour could go through an entire set of estimates without taking off on a tangent at least on one occasion, and he's had that occasion. He may take another one, but be that as it may.

In the introduction of the estimates the Minister made some comments about the difficult situation and the problems that we're now being faced with insofar as labour-management relations, and it need not have been even stated in this Chamber. I think everybody is pretty well aware of the problems that we're now being faced with insofar as labour-management relations, and it need not have been even stated in this Chamber. I think everybody is pretty well aware of the problem that we are being confronted with, and I might say that as far as I am concerned it's going to get a lot worse before it gets better, because the motivation for the kind of problem that the Minister outlined, and he placed the blame equally on labour-management, and indeed government. I have said for some years that to a large extent I believe government perhaps is even more to blame than the other two parties. The reason I believe that is, because left alone many things will eventually work themselves out because there is a balance created. There's a balance created between management and labour, and that on its own was on the way to being corrected simply because labour were no longer going to allow themselves to be exploited by management, and they were forming themselves into unions, and they were doing things on their own in order to insure that their rights as they saw them were being protected.

I would suggest, sir, that the intrusion of government into that kind of a bargaining process has disturbed that balance somewhat, and today we have a situation where the reverse is now true. The only difficulty is that although labour have now assumed a far different position in the economic field than they had a number of years ago, management are not really the people that are suffering. The difficulties that they are encountering are being passed on to the consumer of products which they either manufacture or serve. And we now, and I'll repeat what I said on one previous occasion that it's getting more and more difficult to rip off the consumer, but it's becoming more and more easy to rip off the taxpayer, and where government is involved it becomes even easier, because the taxpayer is being ripped off through the government. When labour find that by making what we may consider outrageous demands for labour increases, they are not concerned about it at all because they realize that sooner or later their demands are going to be met, and the reason those demands are increasing, becoming larger, is simply because they are now anticipating the rate of inflation, and they're anticipating that before the end of a contract period wage rates, or the cost of living is going to be so much higher, and they're going to have to bargain, so that that will be compensated for in any wage settlements. That's a fairly reasonable approach insofar as labour's concerned, and I don't deny them the right to take that kind of an approach, but what it is doing to fan the fires of inflation is something else again. In other words, to a large extent they're creating their own problem, and it was pointed out by the Member for Fort Garry, unless those increases are accompanied by a corresponding increase in productivity, well then inflation will set in and will be accelerated, and that's the point we have reached now. I share the Minister's concern when he spoke earlier in the debate in introduction of his estimates, and declared that there was a lack of responsibility on the part of labour and management and individuals and in government.

The Minister then went on to suggest: do we need legislation? And then answered his own question by saying, no, that legislation would not be the answer, and I wholeheartedly

## SUPPLY - LABOUR

(MR. JORGENSON cont'd) . . . . agree with him that the kind of legislation that we've been passing in past years in order to deal with the situation has not proven effective. But during the past two years, there has been, and it is not only in the past two years that it has been developed but in the past two years there has been an increasing movement towards the solving of this problem by the increasing numbers of contracts that are being signed on a profit-sharing basis. A report that I read in the Financial Post about three or four months ago indicated that at least two dozen companies in Ontario have now gone to profit sharing. And the results of that kind of an agreement have indicated that productivity has shown remarkable increases. Not only has it provided labour with wages that have enables them to stay ahead of the cost of living increases, but it has shown even greater profits for the companies; so if there ever was a lesson to be learned about the need for increased productivity, it is being demonstrated in those contracts.

How far away we are from profit sharing in every one of the major industries is pretty difficult to determine at this point, but it seems to me that unless there is a fairly rapid movement in that direction, which in fact boils down to labour and management solving their own problem, doing it on their own, without any interference from anybody, then there will be chaos, not only in the labour-management field but there'll be chaos in the entire country, as it was also indicated earlier by the Member for Fort Garry.

So what must we do? It seems to me that there appears to be a tendency to think that the taxpayer can pick up the burden for almost everything, and as we're beginning to find, he can do it to a point. But beyond that point, then chaos sets in, and we are fast approaching that particular state right now.

Much has been said about removing the right to strike in certain industries, and making strikes illegal in all industries, and I am one that the Minister will describe as a person that hasn't had a great deal of experience in this field and so therefore unqualified to speak about it, but I - I happen to be one of the innocent victims of those kind of disputes and strikes that create havoc in so many areas in our economy.

It seems to me that perhaps there is one other way that this whole thing can be handled. And that simply is by reverting to a very basic and fundamental concept of democracy, and that is the recognition of individual rights. If a criminal, for example, or any person for that matter, commits a crime against society, if a person is aggrieved by someone, if fraud is committed, there is reference to the courts, and that person is then dealt with by the courts. The whole concept of justice and law and order is the protection of individual rights in this country. What difference is it in my view, if those rights are being violated by one who commits a criminal act as opposed to one who denies you your rights because he's on a strike, because he is looking after his own selfish interests? Should there not be some recourse through the courts on the part of an individual whose rights have been violated, either by an illegal strike, or the prolonging of a strike for unreasonable reasons, or for any other reason. It seems to me that the time has arrived when we should start to consider how long we're going to allow the violation of individual rights by people who are working on the basis of their own selfish interests, without any regard to the damage that they're doing to the public, or to people who are being served by that particular industry. I take as one example, the Post Office, it is a government industry. The number of businessmen in this country who depend on the daily mails, and depend on that kind of a communication for the running of their business, how many millions of dollars have been lost by the delays in deliveries and the strikes that are going on in that industry? Should there not be an opportunity for those people to go to the courts, and say, "My rights have been violated." And then let the court decide whether or not they have been violated and a punishment meted out on the basis of the decision of the courts.

Now, the Minister may well arrive in his place and say, "Well, you're anti-labour." Right away. But I'm not, because if labour have conducted their negotiations fairly, if there is a legitimate reason for what they're doing, the courts will decide that. The only people that have anything to fear about a law that will determine the responsibility and protect individual rights are those people who are violating individual rights. If labour have not been guilty of anything of that nature, then they've got nothing to fear, and the same applies to management. But if both of them, or one or the other, are guilty in the eyes of the courts of violating a contractual arrangement, or proper negotiation in the making up of a contract, then damage

## SUPPLY - LABOUR

(MR. JORGENSON cont'd) . . . . can be assessed against those people who are guilty of that kind of a violation.

I suggest, sir, that in many cases we have been recommending different ways of handling the present situation. I am suggesting just one. The Minister may disagree with it. But I offer this suggestion, as perhaps just one way that we can bring to a head some of the practices that are now going on in labour-management relations, and I attach no greater guilt or innocence to one part or the other. I'm simply saying that there have been violations on both sides, and if they can be brought before the courts to answer simply on the basis of the protection of individual rights, there may be a lot more sensible negotiations going on.

And I suggest to the Minister it may be just one way, or one avenue that can be used to deal with the problem that I know he's confronted and the problem that he's worried about. It may not be the answer. I ask him only to give it some consideration.

MR. CHAIRMAN (Mr. Jenkins): The Honourable Minister of Labour.

MR. PAULLEY: Mr. Chairman, I cannot help but comment on the approach of the Honourable Member from Morris, particularly as far as what has been considered by many a personal conflict between the two of us. At the opening of his remarks he mentioned there seems to be a difference in the approach of the Minister of Labour this year in dealing with the estimates, and I believe that he recognized, or indicated this might be because of the seriousness with which I view the problems with which we are being confronted in the field of labour-management relations. I assure him that that basically may have changed, my general more bombastic approach, that my honourable friend refers to, than the approach of this year, because we are, as I illustrated in my opening remarks, in a situation that we must find solution to, to bring about more responsibility with the parties concerned, and in general, I would suggest that the remarks of the Honourable Member for Morris hinged on that really, although he made mention of it in relation to violations of laws and agreements and references to court. It really in my opinion comes down to the same basic that we have to become far more responsible in all of the areas of our concern and relationships.

I want to thank him and also to indicate to him that true, my approach may have changed, or has changed in his opinion, I appreciate that his too, as exhibited by his recent remarks, indicated a slightly different approach to the Minister of Labour. I am sure that even though it appeared in the past it was a little bombastic, the exchange between the two of us, there was never anything really basically personal in those exchanges.

The honourable member mentions matters referred to the court. I would just like to indicate to him Section 127 of the present Labour Relations Act dealing with the question of responsibility and liability for damage. My honourable friend did make a statement to the effect that he may not be knowledgeable in the field of labour precisely; I do not fault him because I'm not fully acquainted with all aspects of the legislation of labour matters even though, as he said, I have been engaged in the field for some considerable period of time.

But I'd like to draw to my honourable friend's attention the section dealing with liability for damages. It may not fully cover the point raised by my honourable friend, but here it is: "Any employers, organization, union, employer, employee, or person, who does or authorizes or aids or abets the doing of anything prohibited under this Act, or fails to do anything required to be done under this Act, or authorizes or aids or abets in the failure to anything required to be done under this Act, is liable for general and special damages, or both, to anyone injured or suffers a damage for the failure." And the Section, Subsection (2), "A party to a collective agreement or any employer or employers' organization or union that is bound by a collective agreement, who or which is in breach thereof is liable for general or special damages, or both, and may be sued by any other party thereto, or person found thereby who is injured or suffers damages as a result of the breach." Now this might not fully cover what the honourable member had in his mind but there are some provisions within the Labour Relations Act to take care of damage suits or violations. I must admit, Mr. Chairman, that it's pretty hard sometimes to police Section 127 precisely. But basically it is there. My honourable friend . . .

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSON: Before the Minister leaves that particular point I wonder if he would allow me just to intervene and make the suggestion that the point that I really made was only partially covered by the section of the Act that the Minister has just now quoted. What I was thinking of, more particularly, was an individual, not damage to personal property or physical

## SUPPLY - LABOUR

(MR. JORGENSEN cont'd) . . . . damage, but I was thinking of economic damage that was being done to a group, and that they would have access to the courts, they would initiate the action to the court. This is what I had in mind, and I would like him to comment on whether or not that might be a possibility.

MR. CHAIRMAN: The Honourable Minister of Labour.

MR. PAULLEY: Well, Mr. Chairman, I might say that I appreciate the point raised by my honourable friend. I believe in some of our legislation so far as the individual concerned, there are certain recourses spelled out. But the point that he raised I certainly will take under consideration, because as he well knows I made an undertaking a wee while ago, maybe too long ago in the opinion of some, to have a review made of the labour-relations legislation and ancillary legislation as well. So I certainly will remember what my honourable friend said.

I would like to make this general statement, Mr. Chairman, as far as the construction industry in Manitoba is concerned, by comparison with what has been happening in some other jurisdictions, I would say that generally speaking we haven't the problems here in Manitoba in the construction area that they have in other jurisdictions. In order to illustrate that may I refer to the recent investigations into the construction industry in the Province of Quebec, where Judge Robert Cliche held a very thorough investigation into the construction industry, the result of which it appears that certain recommendations are being considered by the Legislative Assembly in the Province of Quebec to try and overcome some of the difficulties that have been encountered in the construction industry by the lack of good will and good faith by both management and labour, and that is continuing on.

And then I refer to the investigations that were made into the activities of both union and management in Metropolitan Toronto with another very penetrating investigation into the construction industry and the operation. And some others have gone on. But I'm pleased to be able to say that thus far - and I hope it will not happen - thus far there has been no evidence of any similar situation prevailing in Manitoba.

Now the Honourable Member for Sturgeon Creek raised the question about what are we doing, or are we doing anything insofar as the present dispute, and in particular I believe he mentioned the question of the carpenters' strike at the present time. I want to inform my honourable friend that we have been involved in the department through our conciliation officers, and meetings have been held - two or three last week - and another meeting is scheduled for Sunday. So I am informed. So as far as the present situation is concerned I answer my honourable friend the Member for Sturgeon Creek that we have been involved.

I also want to take this opportunity so that there's no misunderstanding, that the department and the Minister for a long time has been concerned with the problems that are being encountered in the construction industry. About two years ago, about two years ago a request was made of me to repeal the Construction Wages Act on the Statute Books at the present time. I suggested at that time that rather than consider, or the Minister consider repealing of this legislation, that the matter be referred to a joint committee, having representation from both management and labour, with an independent chairman to deal with the matters of difficulties within the construction industry. I'm pleased to be able to say to the committee that both management and labour agreed with my suggestion, and are participating in discussions. I'm sure that the members of the committee will be interested to know that the chairman of that consulting group is Wally Fox-Decent, a very knowledgeable individual in many fields, and a former Conservative candidate in the constituency of Logan, a very good man who was the joint choice on my recommendation to be the chairman of this committee. And I think it would be reasonable for me, Mr. Chairman, to refer to the report that I received from the chairman of that board, one or two excerpts from his report.

"Dear Mr. Paulley: I would like to give you a progress report on the work of the Construction Industry Review Committee to the end of January/75.

"The committee began its work in late August of last year and has been meeting almost every week since that time. A great deal of discussion has taken place generally in a spirit of co-operation and good will. It has been a worthwhile experience I think for all concerned.

"Our discussions to date have centred on the Construction Industry Wages Act, and the committee has reviewed this legislation making a number of suggested changes, including major definition of construction.

"Over the last few weeks a very important discussion has developed, the result of which

## SUPPLY - LABOUR

(MR. PAULLEY cont'd) . . . . might recommend the creation of some far-reaching new legislation for the construction industry in Manitoba. The committee has before it now a tri-partite proposal which deals with the type of Rand formula, the matter of employer accreditation, and the question of new methods of enforcement of the construction industry legislation."

I think, Mr. Chairman, this illustrates what the department has been attempting to do, and I say that I'm glad to know that we are receiving the co-operation of the industry in this field. Now it may be proper to say that that's all very fine but it isn't helping the present situation. In my opinion it can help a repeat of the present situation if we can get the parties concerned together to come to common agreement.

And then just recently I received another communication from the - or I sent a reply to the chairman as follows:

"This will acknowledge your letter of January 31st regarding the work of the Construction Industry Review Board. I appreciate receiving this report from you, and I am pleased to note it appears at this time representatives of management and labour are considering the request which was made of them to approach the question of legislation dealing with the industry.

"Further, it appears to me that if it is possible a resolution of differences in opinions which prevailed previously may be overcome."

And I might say in the letter that I referred to of January 31st, I was requested to extend the prime period of this particular committee indefinitely because they hadn't fully investigated all of their involvement, and a request was made to me, not to introduce legislation at this session dealing with the construction industry per se, and in particular the Industry Wages Act, and my reply, "I would be negligent in my responsibilities if I did not acquiesce to the request to extend the life of the committee indefinitely, and further that no new legislation be proposed pending a further report from the committee." Now that is the attitude that's going on in some areas.

When the multi-trade agreement was signed two years ago, and some members of the construction industry or some unions are in, some are not. Incidentally, as far as the carpenters are concerned they are not party at the present time to the multi-trade agreement. But anyway, I had the honour of being at the signing of the two-year contract at that time, and the question of labour-management relation committees was raised. And each party in the construction industry that are involved with the multi-trade agreement, said that they were pleased to be able to indicate to me that labour-management relations committees would be set up so that each party had a better understanding of the desires of each other, so that instead of meeting at a bargaining table coldly during the time when a collective agreement may be expiring, they at least were talking to each other some months before that. As the result of that understanding, the conciliation officers of the department started talking - talk isn't too bad sometimes - and I'd like to just read an excerpt from a report I received from the Chief Conciliation Officer, again illustrating a trust to the committee that we do talk to each other within the department. And I quote: "I have reported to you verbally on several occasions about my involvement with the construction industry and my efforts to bring the parties together well in advance of the expiry of their collective agreement. My initial efforts in this respect commenced in July of last year, that was 1974, and continued until mid-November. Although I was not successful in having meaningful bargaining take place, in an effort to consummate the collective agreement or collective agreements prior to year end, I am pleased to report that negotiations were commenced between labour relations council, that is the employer group, and the multi-trade group early in December, and it is indicated that progress is being made."

I say that, Mr. Chairman, merely to illustrate that we are cognizant of the problem, we were cognizant of the problem, and started out as early as we could to try and bring the parties together.

Now then, coming to the present situation with the carpenters, who, as I indicate, are not part of the multi-trade agreement at this particular stage, I repeat that meetings have been held with the conciliation officers; I know that efforts have been made informally between some people who are concerned, particularly with the building of Rainbow Stage, the reconstruction there, and agreement hasn't been reached thus far but the last report that I've had made to me, is that there is always the possibility, or there is the possibility as a result of further involvement with the conciliation officers, and in particular maybe the meeting to be held on Sunday with the conciliation officers will be fruitful, and I'm sure all members of the committee will agree.

## SUPPLY - LABOUR

(MR. PAULLEY cont'd)

I would just like to make one closing remark prior to closing, in reference to my friend from Fort Garry in respect of our various political approaches in the field of labour-management relations, and resolutions of varying natures that appear before our respective conventions. I agree with him that many times resolutions are proposed that are discarded amended, and kicked out for consideration, but in the final analysis, of course, regardless of what type of resolutions are passed or adopted by any of the three major political parties here in the Province of Manitoba, in the final assessment of those policies, it is the public in our democracy that makes the choice regarding those policies. I would suggest to my honourable friend from Fort Garry, particularly when he referred to the one resolution there about kicking the Liberals out of our bed, or kicking the NDP out of the Liberal bed, the people demonstrated that in the most recent federal election, so that really we didn't have to face up to that, the people did. I'm using that as an illustration that the people spoke last year, Mr. Chairman, in July, or in 1973 in July, and they decided that we were a pretty decent sort of a government, had the right policies, and we would continue. And that is why I'm still the Minister of Labour.

MR. CHAIRMAN: Resolution 74 (a)-passed; (b)-passed; 74 Resolved that there be granted to Her Majesty a sum not exceeding \$253,600 for Labour - passed.

MR. PAULLEY: Mr. Chairman, this might be a convenient time for the committee to rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker.

Mr. Speaker, your Committee of Supply have adopted certain resolutions and directs me to report progress, and asks leave to sit again.

IN SESSION

MR. SPEAKER: Order please. The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I'd like to move, seconded by the Honourable Member for Radisson, that the report of the committee be received.

MOTION presented and carried.

MR. SPEAKER: The hour of adjournment having arrived, the House is now adjourned and stands adjourned until 2:30 this afternoon.