

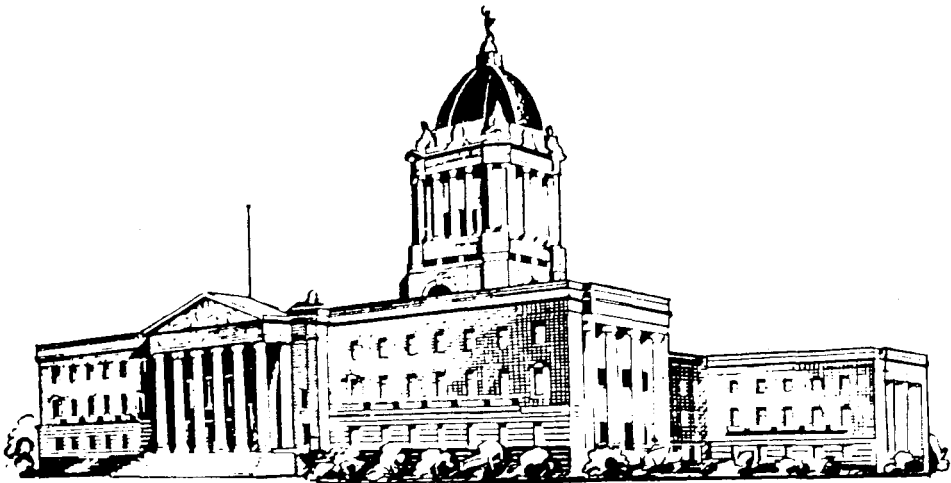


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XXIII No. 42 2:30 p.m., Thursday, March 18th, 1976. Third Session, 30th Legislature.

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 p.m., Thursday, March 18, 1976

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 90 students Grade 11 standing of the Sisler High School. These students are under the direction of Mr. Ingram. This school is located in the constituency of the honourable member for Inkster, the Minister of Mines, Resources and Environmental Management.

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

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills. The Honourable Minister of Mines.

INTRODUCTION OF BILLS

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): on behalf of the Attorney-General introduced Bill No. 36, An Act to Amend the Municipal Act.

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

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MR. DONALD W. CRAIK (Leader of the Official Opposition) (Riel): Mr. Speaker, I direct a question to the First Minister. I wonder if he can indicate or advise the House whether the proposed increase by the City of Winnipeg of 50 percent in water rates will be scrutinized by the Anti-Inflation Board.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I indicate again to the Honourable the Leader of the Opposition that the Anti-Inflation Board is free to review and pronounce upon any matters pertaining to public sector adjustments in rates and fees and the like. It is also understood of course that democratically elected government have the right, which the Anti-Inflation Board does not presume to challenge, to deal with its own internal revenue requirements.

MR. CRAIK: Mr. Speaker, I wonder then if the First Minister could not verify that the submission of the Manitoba Hydro rate structure to the Anti-Inflation Board was undertaken by the province on the province's initiative then and that the submission of the water rate structure to the Anti-Inflation Board might be done on the same basis.

MR. SCHREYER: Mr. Speaker, the submitting of the pertinent information relative to the hydro rates was done as a matter of convenience and undertaking to the Anti-Inflation Board. Insofar as the City of Winnipeg and its internal decision relative to water rates, I am assuming that the Anti-Inflation Board is free, as they have told us that they are, to review and pronounce - and we are leaving it there - we have no intention of serving in some intermediary capacity in that regard unless we are asked to do so.

MR. CRAIK: Mr. Speaker, on the same topic. I wanted to direct a question to the Minister of Consumer Affairs and ask whether in drawing the legislation on rent control whether there was any knowledge at that time of the increase in water rates as indicated for April 1, of 50 percent and also the increase in the hydro rates in the 18 to 28 percent range which is effective the same date. Was this taken into account when the legislation was drawn for rent control?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne): Mr. Speaker, the question, although well intentioned of course will not really influence what actually happens, because these increases will be reviewed now by the Rent Control Board. Where the cost increases have been in excess of the 10 percent

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(MR. TURNBULL cont'd) allowed by the legislation, the operator of the rental accommodation will be able to recover the cost in increased rent.

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education)(Burrows): Mr. Speaker, if I may I would like leave of the House to revert to ministerial statements. I have a brief statement to make.

MR. SPEAKER: Does the Honourable Minister have leave? (Leave) The Honourable Minister.

MINISTERIAL STATEMENT

MR. HANUSCHAK: Mr. Speaker. In accordance with Section 531, Subsection 1 of the Public Schools Act, the Public Schools Finance Board has calculated the Foundation levies to be imposed by the municipalities in 1976 at 4.1 mills on farm and residential assessable properties and 35 mills on other assessable properties. These mill rates are based on the 1976 balanced assessments. In 1975 these rates were 3 mills on farm and residential properties and 33.9 mills on other properties.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Speaker, the Member for Brandon is not able to be here today to reply to the Minister's statement but we accept it on his behalf. We would in so doing indicate that we have some concern, as has been expressed that the Foundation Program itself despite the striking of the mill rate really has lost a lot of its meaningfulness, in that the most important categories in the Foundation Program - and I cite here specifically the salary schedule for the teachers has not been changed substantially since the program was introduced, and therefore the Foundation Program itself once referred to by a prominent Minister of the government side as being not a Foundation Program but a subterranean program has now descended to levels substantially below that; and that as a result the mill rate structure which at one time had an important meaning really has a very much lesser meaning now as does the Foundation Program itself.

MR. SPEAKER: We're back to the question period. The Honourable Member for Birtle-Russell.

ORAL QUESTIONS CONT'D.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. I have a question for the Honourable Attorney-General. I would like to ask the Attorney-General if he is now prepared to have a statement for the House on the practice that occurred at the arena a week ago.

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General; Minister of Municipal Affairs)(Selkirk): Mr. Speaker, the question from the Honourable Member from Birtle-Russell comes as no surprise to me. I have received the report and the report has been presented to the department by the City of Winnipeg Police Department and has been reviewed by senior members in our department, and I might say in this case I have also reviewed the report. On the basis of the police investigation, there is no provable evidence to warrant the laying of criminal charges pertaining to the events of, I believe it was a week ago last Wednesday night.

MR. GRAHAM: A supplementary question. Has the Minister investigated or caused an investigation to be made into the hockey game that occurred in Brandon a week before that and the one in Selkirk as well?

MR. PAWLEY: Mr. Speaker, I've made inquiries in reference to both events. I gather from the information given to me that there has been no police investigation in regard to either event; in fact the information that I received is that there was no basis to warrant an investigation apparently in either event.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the other day the Honourable the Leader of the Opposition asked a question as follows: "That in light of the problems that have come to

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(MR. SCHREYER cont'd) light in Ontario with respect to the escalating value of the European currency as it would impact upon provincial borrowing there, were we facing the same kind of problem with respect to any Manitoba Hydro, or shall I say, Manitoba borrowings in Europe." The answer is both good news and bad news. The bad news first is that there has been a relative movement of the currencies of western Germany and Canada so that the debenture issues made in Deutsche marks back some few years ago, if - and you see, Sir, it's completely hypothetical, but if they were to be repaid today, which they do not have to be by any means for quite some years, then there would be a relative added cost of repaying the indebtedness of some \$8 million. Offsetting that, and then some, is the fact that in the same period of time the relative movement of Canadian and United States currencies, where we have more obligation, is such that we would save approximately \$20 million. In both cases, however, it's hypothetical because the date of repayment of obligations is some time away with respect to the issues of the early 1970s, and by the time these obligations have come to maturity the currencies could have oscillated back and forth and possibly back without going forth again.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q.C. (River Heights): Mr. Speaker, my question is to the First Minister. It relates to an answer given on Tuesday with respect to the auditing conducted with Western Flyer by the Provincial Auditor. He indicated that a review rather than an audit is being conducted and accounting procedures, and that it's not complete. I wonder if he can indicate to the House whether the audit came about as a result of a request to the Provincial Auditor or the direction of the government.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the reason that I had some uncertainty as to the honourable member's question in the initial instance is because he was referring, I think as he put it, to a special audit, and in fact I couldn't recall any such arrangement as I indicated in my answer the other day. It's a review and the auditor has indicated that he has not yet finished his review. Insofar as the review encompassing other than financial administration and accounting procedures, that is not at issue since the auditor admits freely and readily that in terms of managerial aspects that that is not in his field of expertise. I believe it's fair to say that the auditor also reports in an interim way that there is considerable beneficial changes or improvements in operations and that matters are considerably more optimistic than hitherto. I think that's about all I can indicate at this point in time. If my honourable friend wants to know as to how this was initiated I would have to now check files once again. I have no just offhand recollection as to the precise way in which this was initiated in the first place.

MR. SPIVAK: I wonder if the First Minister can indicate whether the Provincial Auditor drew to the attention of the government the accounting procedures with respect to projections and as a result of that concern asked for a special review to take place.

MR. SCHREYER: Mr. Speaker, rather than speculate on the basis of vague memory I would certainly want to check the file and consult with my colleague, the Minister of Mines and Resources. I don't think either of us just offhand are clear on that.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Education. Could the Minister confirm whether the Department of Education and the Winnipeg School Division 1 made joint application to the Federal Secretary of State's office for moneys to expand facilities for French language instruction in the Winnipeg School Division, and could he tell us what the status of that application or submission now is?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: Yes, Mr. Speaker, I will take the question as notice and give the honourable member a report on the present status of negotiations between my department and the Secretary of State with respect to second language instruction. We are in continuous negotiations with the Federal Government with respect to all Federal programs which offer financial assistance for instruction of that kind, and the Winnipeg School Division of course is not excluded.

MR. AXWORTHY: I have a supplementary, Mr. Speaker. Perhaps more specifically,

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(MR. AXWORTHY cont'd) can the Minister indicate whether his department and the Winnipeg School Division jointly submitted a proposal for the capital grant to refurbish the Isbister School to provide additional facilities for French language instruction, and can he tell us whether that submission has been approved or accepted or not.

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: As I have indicated to the honourable member in response to the previous question, I have taken it as notice and will take this one as notice. I cannot offhand recall whether the application was a joint one or whether it was by my department on behalf of the Winnipeg School Division or what the exact format of it was, but I will take it as notice.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, my question is to the Honourable the Minister of Labour. I would like to ask him whether he can advise the House whether office employees of Manitoba Hydro belonging to CUPE Local 998 have been given the opportunity to vote on a management wage offer and whether they've been apprised of the results of that vote.

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, in answer may I in all due respect to my honourable friend who is not too knowledgeable in labour management relations suggest to him that any vote that is to be taken with the employees is a matter for decision internally and not externally.

MR. SHERMAN: A supplementary question, Mr. Speaker, from one perhaps who is not too conversant with these matters to another who is perhaps not too conversant with these matters. Can the Minister either confirm or acquaint himself with the fact that such a vote was apparently taken on the 25th of February and that there has been no result made available and as a consequence negotiations with management may be handicapped by that?

MR. PAULLEY: Mr. Speaker, may I indicate to my honourable friend, I am not a member of the organization that the honourable member refers to. Were I, then I would be more knowledgeable than I am, and there is no provision in the Constitution as I understand it of the union or in legislation that I have to be informed as to whether or not a vote has taken place.

MR. SHERMAN: A further supplementary, Mr. Speaker. In view of the fact that the Minister advised the House in response to a question of mine a couple of days ago that a conciliation officer from his department has been appointed to conciliate in the contract negotiations, would the Minister not confess that it is his responsibility before appointing a conciliation officer to acquaint himself with the situation and then thus explaining to the House why then he appointed a conciliation officer.

MR. PAULLEY: Again I say my honourable friend is so unknowledgeable of the Labour Relations Act of Manitoba that apparently he does not know that there is ministerial authority in the Labour Relations Act for the Minister to appoint a conciliation officer in any industrial dispute whether he is asked either by management or labour, and it was on that basis that a conciliation officer was appointed.

I hope in due course, particularly as the Estimates of the Department of Labour are under review, that I may further educate my honourable friend in labour management relations in the Province of Manitoba.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. I have a question for the Honourable Attorney-General. I would like to ask the Attorney-General if he has been apprised of any reluctance on certain judges to act within the area of the downtown city Safety Building. Has he had any evidence of judges requesting a change in venue in that respect?

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, request for reassignment and the providing of re-assignments is handled through the Chief Provincial Judge, Harold Giles, and is not channelled through my office, so that I would not have received requests for reassignment.

MR. GRAHAM: Would the Minister then undertake to find out if such is true and

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(MR. GRAHAM cont'd) apprise the House of the reasons for the request in change?

MR. PAWLEY: Mr. Speaker, I understand there are many reassignments that are taking place at the present time that involve not only the Public Safety Building but I understand would also involve other assignments. So there are reassignments taking place at the present time being directed by the Chief Provincial Judge in co-ordination with the provincial judges involved.

MR. GRAHAM: I have another question for the Attorney-General. I'd like to ask the Attorney-General if he has had any replies from the Law Society on the disposition of the evidence that was forwarded by his office to the Law Society in the Pilutik affair.

MR. PAWLEY: Mr. Speaker, I understand that the Law Society solicitor, Mr. Scott, is reviewing all the material that has been provided to the Law Society and I understand the Law Society Discipline Committee will be meeting I believe, in fact I read in today's paper comments by the Secretary of the Law Society, within the next two weeks to finalize the matter.

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

MR. TURNBULL: Mr. Speaker, yesterday the Member for Fort Rouge asked me some questions about British Thermal Units, B.T.U.s the rating and the regulations of thermal content by the Public Utilities Board, and I have an answer here if I may with leave give it to the House. (leave granted)

The thermal content of all natural gas delivered to the Greater Winnipeg Gas system is subject to the continuous regulation of the Public Utilities Board. The thermal content for a cubic foot of natural gas actually delivered to the customer is a condition of the company's franchise.

Ongoing inspection weekly by the Public Utilities Board's engineering consultants ensure that the B.T.U. thermal content of gas being delivered to the Utility system is at or above the required franchise thermal value level. In fact because the TransCanada Pipeline supply is at 1004 to 1008 B.T.U.s per cubic foot, the Greater Winnipeg Gas delivery is thus well above that allowed by the franchise.

As a result of recent National Energy Board orders, all customers of TransCanada Pipeline are paying for the gas taken off the Pipeline in thermal content terms. The Public Utilities Board would indeed require rate adjustment if there were to have been a substantial change in the B.T.U. content. Again I must emphasize, there has been no substantial thermal content variation in Greater Winnipeg Gas. On days of peak demand, a day below zero degrees, peak shaving by way of propane reserve feed-in is mixed with the natural gas to provide a higher B.T.U. per cubic foot rating without any increase in cost to the customer.

In recent weeks, TransCanada Pipeline reported a variation of 4 parts in 1,000; that is between 1,004 and 1,008 B.T.U.s which would have meant at the most a variation in the thermal content in relation to ultimate consumer billings of 4/100th of a percent, clearly not sufficient a margin of difference to matter.

Mr. Speaker, there have been no complaints along the lines of the questions raised by the Member for Fort Rouge to the Public Utilities Board. Clearly if any such complaints are made specifically to the Board they would of course be checked specifically, but the answers that I have given to the House would be similar to the answers that the Board would provide to members of the public who made complaints to it. So as I said yesterday, Mr. Speaker, I regard the manner in which the questions are raised to be allegations of a serious nature and I believe now of a misleading nature.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON (Wolseley): The Minister of Tourism and responsible for the Liquor Control Commission. Has the Minister, Mr. Speaker, suspended any licenses in the St. Charles area in light of the abundance of vice activity and under-age drinking and drug trade in the area as reported in the press?

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

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs)(Springfield): Mr. Speaker, the honourable member would have to be a bit more specific. I know the Liquor Control Commission has suspended licensees in different parts of the province including my own constituency.

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MR. WILSON: A supplementary, Mr. Speaker. I'm referring in fact to the St. Charles Hotel.

MR. TOUPIN: I'll take that question as notice.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question is to the Honourable Minister of Urban Affairs. Can the Minister advise the House whether the province has received any approaches from the City of Winnipeg with a view to participation in financing the proposed expansion of the Winnipeg Arena and the Winnipeg Stadium?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs)(Seven Oaks): No.

MR. SPEAKER: Orders of the Day. The Honourable Minister . . . Order please. The Honourable Member for Point Douglas have a question?

REV. DONALD MALINOWSKI (Point Douglas): Mr. Speaker, I would like to rise on a point of personal privilege. May I?

MR. SPEAKER: I have to hear it first.

REV. MALINOWSKI: Oh, I see. Well I was misquoted in a report from the Tribune.--(Interjection)--Yes, well I know everybody makes mistakes, even Priests, maybe I shouldn't - but anyhow they did. On Tuesday, March 16th on Page 39 it says down there, I quote: "NDP backbencher Father Donald Malinowski called Monday for 9 p.m. curfew for youngsters under 14 in a move to curb juvenile crime and protect Winnipeg's children." Now, actually in Hansard, I checked, page 1,034 which reads: "WHEREAS there are problems in certain areas of the City of Winnipeg caused by young children under the age of 14 years roaming and loitering on the highways and in other public places without proper guardianship after midnight;" not 9 p.m. So this is the correction.

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

ORDERS OF THE DAY - GOVERNMENT BILLS - SECOND READINGS

MR. GREEN: Mr. Speaker, I wonder whether members of the House would permit the introduction of second reading of the Interim Supply, the Supplementary Supply Bills, the introduction of Second Readings. It would save one day in getting it to the members of the House rather than having it go on Votes and Proceedings.

MR. SPEAKER: Is it agreed? (Agreed) The Honourable First Minister.

TECHNICAL CORRECTION - BILL 34

MR. SCHREYER: Mr. Speaker, in rising to move the motion I have one very technical correction to make which would require leave of honourable members, they will see that it is purely technical. Bill No. 34, which is the Interim Supply Bill, comes in under the message of the Lieutenant-Governor of Manitoba and very strictly and technically, Sir, the error was in having the name of His Honour Francis Lawrence Jobin, Lieutenant-Governor; it should have read His Honour William John McKeag for the reason that it relates to the Main Estimates of Supply under His Honour the former Lieutenant-Governor.

MR. SPEAKER: Is that understood? (Agreed) Thank you. Would the Honourable Minister make the motion now?

BILL NO. 33

MR. SCHREYER presented Bill 33, by leave, An Act for Granting to Her Majesty certain sums of money for the Public Service of the Province for the fiscal year ending the 31st day of March, 1976, for second reading.

MOTION presented and carried.

BILL NO. 34

MR. SCHREYER presented Bill 34, An Act for Granting to Her Majesty certain sums of money for the Public Service of the Province for the fiscal year ending the 31st day of March, 1977, for second reading.

MOTION presented and carried.

MR. SPEAKER:--(Interjection)--Oh. Take the motion back.

MR. GREEN: No. Why?

MR. SPEAKER: Well I asked whether it was agreed to and there was no disagreement so therefore the motion has been passed. If the Honourable House--(Interjection)--just a minute, we'll get to it. If the honourable gentlemen wish a debate then I'll just say the motion hasn't been passed, but if no one moves the Chair has to accept that you're all in agreement that it's going to go. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, perhaps the fault is mine. I did not rise to explain, for the reason that it is a very standard provision, but I'm pleased to explain it. This bill provides for the usual amount of 25 percent of the total amount of the Main Estimates to be voted, excluding statutory items, and the percentage is the same as applied in last year's bill. This bill when passed, provides the authority to take the public service requirements of the Province of Manitoba through to July, about the first week of July, and in all other respects, including those that I've just mentioned, it is a standard provision and standard procedure here. I have explanations on certain sections but that presumably would be in Committee stage rather than on the general debate on Second Reading.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Speaker, I move, seconded by the Honourable Member for Swan River, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, again, on the Supplementary Supply, is it agreeable to go into Committee? The bill for Supplementary Supply was introduced and passed. Can we move into Committee on Supplementary Supply or would the honourable members want to do that next day?

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Speaker, Supplementary Supply was debated in full yesterday and we're quite agreeable to that, we just want to adjourn Bill 34.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I move, seconded by the Honourable the Minister of Urban Affairs that you, Sir, do now leave the Chair and the House resolve itself into Committee of the Whole to consider and report on the following bill, Bill No. 33, Supplementary Supply.

MOTION presented and carried and the House resolved itself into Committee of the Whole, with the Honourable Member for Logan in the Chair.

COMMITTEE OF THE WHOLE

MR. CHAIRMAN: Bill No. 34. Is it the will of the House page by page or . . . ?
Page by page.

Bill No. 33, Page 1--pass; Page 2--pass; Page 3--pass; Page 4--pass; Preamble--pass; Title--pass; Bill be reported.

Committee rise. Call in the Speaker.

Mr. Speaker, your Committee of the Whole has considered Bill No. 33 and asks me to report same and asks leave to sit again.

IN SESSION

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

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Ste. Rose, that the report of the committee be received.

MOTION presented and carried.

BILL 33 was read a third time and passed.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I want to acknowledge the co-operation of honourable members with respect to that bill, and I'd now like to proceed with the second reading of those bills which stand on the Order Paper, in the order in which they appear.

ORDERS OF THE DAY ADJOURNED DEBATES SECOND READINGS

MR. SPEAKER: Thank you. Bill No. 14, proposed by the Honourable Minister of Labour. The Honourable Member for Fort Garry.

MR. SHERMAN: Stand No. 14, Mr. Speaker.

MR. SPEAKER: Thank you. The proposed motion of the Honourable Minister of Labour, Bill No. 15. The Honourable Member for Fort Garry.

BILL 15 - AN ACT TO AMEND THE VACATIONS WITH PAY ACT

MR. SHERMAN: Mr. Speaker, we've considered the contents of this bill. We are in an agreement with the thrust of the bill. I concede the point made by the Minister earlier this week when he introduced it for second reading, and have encountered some second thoughts on the point raised by the Minister among persons with whom I've discussed the bill related to the 50 percent requirement for regular hours worked. There is certainly an improvement in the bill over the present statute in that in its present form there is no such requirement for a minimum period of time worked. I've had suggestions, and I know the Minister has had suggestions that perhaps the requirement being imposed now through the proposed legislation should be higher than 50 percent. I know there is some consideration being given to that aspect of the legislation in various quarters, but the bill is constructive in the step that it takes in prescribing at least that minimum requirement of 50 percent. We are in agreement with that and we would like to see it moved forward for further processing at the committee stage at this time, Sir.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Thank you, Mr. Speaker. I agree with the bill. I'm sure that the Minister of the House knows my position on vacations with pay, I have for many years presented resolutions to the House with respect to three weeks vacation with pay. I know it took the Minister of Labour a few years before he did decide to move on it; he's had at least three or four years in this House before he moved on it. Mr. Speaker, I know this may present some problem to some employers but during the hearings there wasn't that much opposition raised to it. They said, well 1975, or we may compromise somewhere in between, but that point wasn't that great a factor and I believe it'll at least clarify. I'm sure that it will be satisfactory to most people.

QUESTION put, MOTION carried.

MR. SPEAKER: Bill No. 16, proposed by the Minister of Labour. The Honourable Member for Fort Garry.

MR. SHERMAN: Stand, Mr. Speaker.

MR. SPEAKER: Bill No. 17, proposed by the Honourable Minister of Tourism and Recreation. The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Stand, Mr. Speaker.

MR. SPEAKER: Bill No. 18, proposed by the Honourable Minister of Mines. The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Stand, Mr. Speaker.

MR. SPEAKER: Bill No. 25, proposed by the Minister of Highways. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Stand, Mr. Speaker.

BILL 22 - AN ACT TO AMEND THE ALCOHOLISM FOUNDATION ACT

MR. SPEAKER: Bill No. 22. The Honourable Minister for Corrections.

HON. J. R. (Bud) BOYCE (Minister for Corrections) (Winnipeg Centre) presented Bill 22, an Act to amend the Alcoholism Foundation Act for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. BOYCE: Mr. Speaker, I will be very brief because it is a brief bill. All it does is put into statute one of the things that the Alcoholism Foundation in Manitoba has been involved with in the treatment of people with dependency problems. In the past, Mr. Speaker, because of the multiplicity of dependencies, this has perhaps been rationalized somewhat by treating it as alcoholism; nevertheless all this amendment does is to include other dependencies other than alcohol in the treatment process. I haven't got ten minutes

BILL 22

(MR. BOYCE cont'd)worth of material, Mr. Speaker, because that's really all that this bill does, is just give legislative authority to broaden the scope of the Foundation.

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, I move, seconded by the Honourable Member for Arthur, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: Bill No. 23. The Honourable Minister of Agriculture is not present.

BILL 28 - AN ACT TO AMEND THE WHEAT BOARD MONEY TRUST ACT

MR. SPEAKER: Bill No. 28, The Honourable Minister of Tourism, Recreation and Cultural Affairs.

MR. TOUPIN presented Bill No. 28, an Act to amend The Wheat Board Money Trust Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. TOUPIN: Mr. Speaker, the Honourable Minister for Corrections indicated that he had a short bill. I have a shorter bill.

This bill before us, Mr. Speaker, deals with very few amendments to the Wheat Board Money Trust Act that relates to the Co-op Promotion Board and this is why it falls under my Department of Co-operative Development.

There's a section in the bill, Mr. Speaker, which is amended by striking out the words "Lieutenant-Governor-in-Council" and replaces it by "Minister of Finance." This is to allow the Minister of Finance to authorize the board to vary the investments as provided herein, in the paragraph mentioned in the bill. The objective of this amendment is also to assist the Board in maintaining the trust as it is prescribed at a level that changes from time to time and this is why we want to withdraw from the Lieutenant-Governor's purview to the Minister of Finance who receives assent from Cabinet. Variance on investments are required frequently as bonds and other securities become due. This will not vary the amount in trust, nor will it exempt the board to purchase securities under the Trustees Act.

There's equally a section, Mr. Speaker, in this amendment to the bill, adding the words "credit union or caisse populaire" immediately after the word "bank". I'm sad to say that this should have been done quite some time ago but unfortunately it had not been noticed and we are only bringing in this amendment now. For obvious reasons the Co-operative Promotion Board has over the years been prohibited like many other statutes that we had in the province prior to 1969 from depositing in credit unions and/or caisse populaire, and the amendment will allow the Co-operative Promotion Board to invest, to do business with credit unions and caisse populaire. This is really what the Act should have said way back when it was given Royal assent because the Co-op Promotion Board is there to promote the co-operative movement, all the sectors of the co-operative movement being credit unions and all other sectors that are being helped financially, and by assistance in kind, by the Co-op Promotion Board and its employees. So the Act is therefore recommended to be changed to make that provision.

There is another section of the Act, Mr. Speaker, that deals with universities. Right now the Act is limited to one given university, and we're wanting to include the University of Winnipeg and the University of Brandon. The Honourable Minister of Industry and Commerce will be glad to see this, that they too have educational material courses that are given in regards to the co-operative movement and it's not limited to the one university that we have in the province; it will equally include other higher institutions, higher educational institutions in the province, not only universities.

It will permit the Board to make further grants with a greater degree of discretion as it relates to the institutions most likely to encourage development of projects or programs in accordance with the wishes of this Act. It is not a unique activity of one institution only, and it is felt that other universities or institutions of higher learning are

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(MR. TOUPIN cont'd) now getting involved in research projects of interest to the co-operative movement and the organizations therein.

Mr. Speaker, to my knowledge there are no other statutes under my responsibility that need to be amended to make the provisions that I would have liked to make quite a few years ago, and I sincerely recommend this bill to all members of the House.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. ENARSON (Rock Lake): Mr. Speaker, I beg to move, seconded by the Honourable Member for Arthur, that the debate be adjourned.

MOTION presented and carried.

BILL 29 - AN ACT TO AMEND THE BUILDERS AND WORKMEN ACT

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY presented Bill No. 29, an Act to amend The Builders and Workmen Act, for second reading.

MOTION presented.

MR. PAWLEY: Mr. Speaker, this bill relates to recommendations forthcoming from the Law Reform Commission, in which recommendations were made that The Builders and Workmen Act ought to be amended. Under the existing Builders and Workmen Lien Act a contractor for a building may file a copy of his contract in the Land Titles Office in the district in which the land is located and thus obtain a lien against the premises. Although there is provision in the Act for a release being signed by the contractor there is no procedure by which the owner of the land can obtain the removal of the lien if the contractor refuses to sign a lease, and apparently there have been numerous instances of difficulties as a result of this. The Law Reform Commission studied the problem and suggested amendments to be made to the Act providing a procedure similar to that in the Mechanics Lien Act, by which the owner of the land can request the District Registrar to notify the lienholder that he must commence an action within 30 days or his lien will be removed. The bill which you have before you provides a procedure along the lines that were proposed by the Law Reform Commission and in addition makes provision for the contractor giving a partial discharge of the lien covering part of the lands affected by the lien.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, I beg to move, seconded by the Member for Minnedosa that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I move, seconded by the Minister of Industry and Commerce, 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.

MOTION presented and carried and the House resolved itself into a Committee of Supply, with the Honourable Member for Logan in the Chair for the Civil Service and the Honourable Member for St. Vital in the Chair for Public Works.

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INTRODUCTION OF GUESTS

MR. CHAIRMAN: I refer honourable members to page 13 of their Estimates Book. Before we proceed I would like to direct the attention of the honourable members to the loge on my left where we have a former member of this House, Mr. Jake Froese, the former Member for Rhineland.

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MR. CHAIRMAN: Page 13, Resolution 29(1)(a), \$383,100, Civil Service Commission--pass. The Honourable Minister of Labour.

MR. PAULLEY: Mr. Chairman, I think it would be proper for me as the Minister responsible for the operation of the Civil Service and the Minister responsible to this Assembly for the operation of the Civil Service Commission to say a word or two on the introduction of an expenditure of nearly 12 millions of dollars of public moneys.

I think, Mr. Chairman, that I would be neglectful in my duties as the Minister responsible if I did not pay a tribute to the Civil Service of the Province of Manitoba. I have had an opportunity as you know, Mr. Chairman, of being associated with this Assembly and the employees of Manitoba for a number of years, and I have always found that the employees have in general served the people of Manitoba well, without really political involvement but rather because of their desire as good employees to serve their employer, the Government of the Province of Manitoba. So, Sir, at the opening of the consideration of these Estimates and as the Minister responsible, I want to say how much the present government, and I would suggest past governments as well, appreciate the input made by our employees.

Having said that of course, Mr. Chairman, I recognize that from time to time there are differences of opinion between individual employees and their employer, and groups of employees and their employer, and I would suggest that in this democratic society that we say that we're living in, that this is their right and their privilege. So I say, as the Minister responsible for answering to this House, I appreciate the involvement and the contribution that the present and former members of the Civil Service, the contribution that they have made to their fellow citizens in Manitoba.

Having said this, Mr. Chairman, I want to disagree most violently with the approach and attitude of the absent Leader of the Conservative Party of the Province of Manitoba, who at one stage in the game was a member of this Assembly - and I doubt whether he will ever be again because of his attitude and his approach to people, and in particular to the civil servants of the Province of Manitoba.

And while it may be, Mr. Chairman, that it has been a recognized fact in relationships in the Province of Manitoba since its birth, some 105 years ago, that there has been a non political approach in the association and the relationship between the Civil Service and the government of the day, by utterances of the absentee Leader of the Conservative Party, I indicate--(Interjections)--My honourable friend the Member for Morris says to me: look behind me. I am suggesting to the Honourable Member for Morris that I am considering facts as they are, and I suggest in all due respect to the Member for Morris that he should look at the utterances of his leader in respect of his implication of where he finds and what he finds in respect to the Civil Service of Manitoba. I can look back, Mr. Chairman, over a period approximating 25 years of involvement--(Interjections)--my honourable friend, the Member for Fort Garry, says: a wasteland of years. I would suggest. . .

MR. CHAIRMAN: Order please. The honourable member have a point of order?

MR. SHERMAN: Well I do, Mr. Chairman. Or I have a point of privilege actually. I did not make that statement, but I wish I had.

MR. CHAIRMAN: Order please. That's not a point of order or a point of privilege.

MR. PAULLEY: Mr. Chairman, whether by hindsight and usually the assessment of the Member for Fort Garry is in hindsight, that he wished that he made that observation, I accept that, because never in the history of my involvement in this House have I ever heard a member of the Assembly who makes a judgment in hindsight rather than foresight than the Honourable Member for Fort Garry. So I accept the fact that he rose on a presumed point of privilege, and I expect it from my honourable friend because he is so unknowledgeable of the democratic process in the Province of Manitoba albeit that for a few scant years the people of the constituency in which he lives did send him down to Ottawa, but they sure in heaven's name got rid of him rather quickly at the subsequent election. But that's beside the point. That's really beside the point. --(Interjections)-- That's right. That's right. My honourable friend the Member for Morris refers

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(MR. PAULLEY cont'd)to the possibility that I may have to have a sanity certificate, and I say to my honourable friend from Morris I doubt, I doubt, I doubt very much whether he would ever even come close to obtaining a sanity certificate based on his utterances and his utter nonsense in this Assembly. So let's leave that aside for the time being.

You see, --(Interjections)--you see, Mr. Speaker, one thing that I like about the honourable members of a once honourable party called the Conservative Party, one thing that I like about the rabble that are representing the Conservative Party in the Legislature of Manitoba today that is the only contribution that they do make, is a contribution of carping and nitching without any responsibility of government. They had it once and the people of Manitoba rejected them quite properly.

Now then, what I was attempting to say, Mr. Chairman, over my brief involvement of almost a quarter of a century in this House, that I have come to recognize the contribution that our Civil Service has made on behalf of the people of Manitoba. And then I listen and observe the contributions that the absentee Leader of the Conservative Party has made since he was able to scuttle the previous leader of this party in a convention aided and abetted by the majority of the members of the Conservative caucus. But what he has done, Mr. Chairman, I suggest to you is to try and portray to the people of Manitoba that our civil servants have not been worthy of their hire, that the morale of the Civil Service in Manitoba is at its lowest ever ebb.--(Interjection)--And the Member for Morris agrees.

I want to reject that. Mr. Chairman, I reject it completely. It is true, and there is no question or doubt about the truthfulness of this, that there is a greater desire and a greater contribution of the Civil Service of Manitoba to obtain a better association with government that they were able at any time to achieve. And I say to my honourable friends and my absentee red-headed leader of the Conservative Party, that how and what brought this about - my honourable friends opposite, Mr. Chairman, I doubt are knowledgeable of previous efforts of the Civil Service in Manitoba to be heard or even to have the right to be heard insofar as their working and their employment conditions are concerned, in performance of their duties.

I am proud, as the present Minister responsible for the civil servants, to be able to take my honourable colleagues opposite back over the history of involvement through Hansard to say that I was one of those in Opposition that requested, nay demanded, that the Civil Service of the Province of Manitoba have an opportunity to be heard.

I was not fully successful, I confess, but I do want to pay a tribute to a past Cabinet Minister of the Government of Manitoba during the regime of Dufferin Roblin, that he - and I refer to Maitland Steinkopf who as Provincial Secretary recognized after constant urging by myself as the leader of my party at that time, that there should be a recognition of the right of the Civil Service of Manitoba to become organized. And while provision was made at that particular time of a limited basis, it was a breakthrough for the Civil Service of Manitoba in negotiations. But what do we find today, Mr. Chairman, what do we find today, that there has been a complete changeover in the attitude and the approach of the Conservative Party under their new leader to the rights and the privileges of the Civil Service of Manitoba.

My honourable friend, the little advocate, the little red school house down in Swan River says "nonsense." I ask my honourable friend the Member from Swan River to look over the utterances and utter nonsense, I would agree with, that comes from the lips of his leader, because his leader says that the morale of the Civil Service in Manitoba is at its lowest ebb because of the desire of the Civil Service of Manitoba to be heard. I suggest the utterances of the absentee leader of the Conservative Party is utter nonsense, and I'm sorry, Mr. Chairman, that he is not here. He is so wont to go on the idiot box and make idiotic statements as to our civil servants, I regret that he is not here to hear what I have to say. Because I can well recall at least on one occasion when that honourable gentleman as the Attorney-General offered me his services, that if I had to appear before a judge said he would be my legal advisor and supporter, and I suggested at that time that if I wanted to be convicted then I should accept the offer of the then Attorney-General to defend me. I want to say to the Civil Service of Manitoba

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(MR. PAULLEY cont'd) that if they want to go back to the dark ages of their rights they should accept the suggestions of the present leader of the Conservative Party to be their sponsor and their leader. I suggest, however, that such should not be the case. I suggest, Mr. Chairman, that the previous Tory administration of the government of the Province of Manitoba were dragged into a recognition of the rights of the civil servants of this province.

I recall, Mr. Chairman, as a member in Opposition, that I didn't have the same authority to speak to Civil Service as it's prevalent today. I recall on many occasions, Mr. Chairman, when the then representative of the Government Employees Association said to me, "Russ, I don't want to talk to you here at the bottom of the Grand Staircase, will you please come into some room or meet me somewhere down on some street outside of this building, because if I am seen talking to you in Opposition it might be construed that I am giving you information as to the desires of the employees of the Government of Manitoba to improve their conditions." What a change has taken place, Mr. Chairman, when just the other day--(Interjections)--that's right. That's right, I accept that. I doubt sometimes when even the Honourable Member for Fort Garry would like to be seen talking to me and I leave that to his judgment. I have no aversions, I have no hesitation that I will even talk to the Member for Fort Garry or any of his colleagues, but if they have a reluctance to talk to me I leave that to them to decide. I'm prepared to talk.

But the fact of the matter is though, despite the interjection of my honourable friend, that the then President of the Manitoba Government Employees Association dared not in his opinion be seen talking to me under the former Government of Manitoba. What a change has taken place insofar as the relationship between the Government Employees Association and this government. I'm sure my honourable friend the Member for Fort Garry will recognize the fact that under the new democratic approach and the rights of organization for the Manitoba employees in the Civil Service, that the President of the Manitoba Government Employees Association appeared before the Industrial Relations Committee the other day to make known to a committee of this House their desires for changes in legislation, a thing that was unheard of under the former administration of which the present Leader of the Conservative Party was the Attorney-General. --(Interjection)--A damn good what? Persecutor of the rights of individuals to associate in the trade union movement? I leave that to your judgment, but that is not so today.

I could not help, Mr. Chairman, to make references to a few of these facts of life on the introduction of the Estimates dealing with the Civil Service. And I suppose, Sir, that I should not fault the present Leader of the Conservative Party for presuming that he has the right of making a judgment, that in his opinion the morale of the Civil Service is at its lowest ebb. I suppose it's typical of politicians, including the Leader of the Conservative Party, to chirp and rant and rave outside of the House. I have really a compassion for that honourable individual, that as I am speaking here this afternoon and going back over his record and the record of the previous administration, I have a compassion for him because he is not going to have the opportunity of answering me directly - but some of his cohorts may, they may, though I question really whether their objections would be factual. I suggest that it is most unfortunate that he has not the opportunity of being heard in this House. Of course, the only reason that he will not be heard in this House is because none of his colleagues have stepped aside to give him an opportunity at a by-election to become a member so that we can hear him. And I'm sure in the interests of the civil servants of Manitoba, that if he would say in this House what he is saying outside of the House, many disillusionments that they had prior to the change of government within the Civil Service would be dissipated and a good debate could take place.

I want to say quite frankly, Mr. Chairman, as one who has been involved for some time in association with the Civil Service of Manitoba, that I reject completely the nonsensical statements of the present Leader of the Conservative Party that the morale of the Civil Service is at its lowest ebb. I have more confidence, quite frankly, Mr. Chairman, in the Civil Service of the Province of Manitoba today than that of the Leader of the Conservative Party, a confidence, Mr. Chairman, that I stated many years before

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(MR. PAULLEY cont'd)we became the government. I said so under the era when the Liberal Party of Manitoba was the government, that I respected Civil Service of Manitoba, I respected the Civil Service individually and collectively under the Conservative Government. But to have an individual who is not a member of this House, outside of the House, indicating that the morale of the Civil Service is at its lowest ebb ever, I reject. I want to say, Mr. Chairman, that while I recognize that there may be more militancy with our Civil Service in Manitoba than we ever had before, it is not because of a question of a low morale but simply because of the fact that they have the opportunity in the democratic approach of this government to be heard. No longer in Manitoba is it necessary for our civil servants, the representatives of their union or organization to slink behind closed doors in order to express their opinions, and this is the change that has taken place.

Now my honourable friend as the spokesman for the Conservative Party in Manitoba criticizes the operation of the Civil Service Commission of Manitoba. He continuously - and indeed many of his companions do - suggests that the Civil Service Commission is politically oriented by a direct desire on the part of the government today; an attempt is made constantly by spokesmen of the Conservative Party that the Civil Service Commission is under the direct thumb of the political government. Endeavour after endeavour has been made by the Opposition to try and implant this idea in the minds of the electorate of Manitoba for political reasons, and I discount it and I reject it completely. Surely a man who because of his legalistic training at one time was the Attorney-General of this great province of ours, should have sufficient knowledge to know that the Civil Service Commission membership can only be changed by two-thirds of the membership vote of this Assembly. Of course this is true that it is the responsibility of the government of the day to make appointments when there are vacancies; it is true. And when we became the Government of Manitoba and I became the Minister responsible for the Civil Service Commission of Manitoba, the self-same appointees that were made by the Conservative Government of Manitoba were continued. I could not dismiss them, the Government could not dismiss them any more than the government of today could dismiss them. So when the Leader of the Conservative Party attempts in his very effective way to attempt to say to the populace of Manitoba that the Commission is politically dominated, I say to him, "Be fair", and to "Be honest". Because neither I as the Minister, or this government which has the responsibility for the conduct of the affairs of the Civil Service Commission can for political reasons or any other reason dismiss the members of the Civil Service Commission unless it's by a two-thirds majority vote of this Assembly. And I say to my members opposite, what is the obvious, we haven't got a two-thirds majority of this House. I'm not saying that that is not good, because once upon a time I believe in the history of this great Dominion of ours, we did have a government that had such overwhelming power that the common wheel could not be heard. That is not the case here in the Province of Manitoba.

A MEMBER: Just as well.

MR. PAULLEY: Just as well. You're damn right it's just as well. I want to say to my honourable friend, the Member for Portage la Prairie, the Acting Leader or the prime Leader of the Liberal Party in the Province of Manitoba, I hope in the interests of Manitobans and of Canadians that we'll never ever get into the same situation that prevailed federally under a very good friend of mine, the Right Honourable John Diefenbaker, where such absolute power prevailed - and I say to the detriment of Canada, and I would hate like the devil to see it here in Manitoba.

But to get back to the point that I was making, insofar as the approach of the Conservative Party in Manitoba today and to the Civil Service, this malarkey, this utter nonsense that is being suggested by the Leader of the Conservative Party in respect of our civil servants, should be thoroughly analyzed, Mr. Chairman, by all Manitobans. It's good politically, of course it's good politically, I make no apologies for a political involvement in Manitoba. I have tried to be honest, I have tried to be factual, but when we hear such utter garbage . . .

A MEMBER: You've failed.

MR. PAULLEY: Oh, I've only failed to the degree that I've been here a hell of a lot longer than the Honourable Member for Morris will ever be. So to that degree I have

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(MR. PAULLEY cont'd) failed, that's true, and I say to my honourable friend for Morris, "Don't fault my constituents because they had more intelligence than maybe the constituents in his riding." --(Interjection)-- Oh, and it might be well, it may be well, I say to my honourable friend from Fort Garry, that the constituents of Morris have never seen me in action, the net result could have been that the present incumbent from Morris would not be here. So maybe I should take that under consideration and go to Morris and to try and indoctrinate and educate the constituents of Morris as to the ineffectiveness of their representative in this House at the present time. But that may be construed as being personal, I don't mean it personal at all.

But really, Mr. Chairman, what I am trying to say when I'm introducing the Estimates of the Civil Service Commission . . .

POINT OF ORDER

MR. CHAIRMAN: The Honourable Member for Morris on a point of order.

MR. WARNER H. JORGENSEN (Morris): Mr. Chairman, I'd like to make a point of order. I'd ask you to consider whether the harangue that we are now being subjected to constitutes an introduction of the Estimates of the Department of Civil Service. I don't recall, other than a few oblique references to the name Civil Service, that the Minister has given an accounting of his performance as Minister in charge of the Civil Service. I realize, Mr. Chairman, that if we asked him to do that he would be tongue-tied and would be unable to say anything.

MR. CHAIRMAN: Order please. Order please. The Honourable Minister on the point of order.

MR. PAULLEY: On the point of order if I may, Mr. Speaker, I can accept the reproach of my honourable friend, because of all the honourable members in this House who is at least knowledgeable of points of order, the honourable member that just raised the point of order is that individual,

MR. JORGENSEN: Mr. Chairman, I refer you to the section in our Estimates, Section 29, which the Minister now is presuming to speak on dealing with the Civil Service Commission, and I ask you to read that particular section and the responsibilities therein and then attempt to identify that with what the Minister is now saying and give an opinion as to whether or not you believe that the Minister is debating or giving us an accounting of his stewardship as a Minister as it is outlined in the Estimates. I think you'll find, Sir, that the Minister hasn't even come close to dealing with the subject matter of that particular resolution.

MR. CHAIRMAN: Order please. I refer honourable members to our new Provisional Rule Changes that have been distributed here this afternoon and I think the point is well taken in some respect. But it states here that the address of a Minister of a department introducing the department may exceed 30 minutes but shall be restricted to 60 minutes. I know that Rule 64(2) I believe also says that we're supposed to be relevant to the topic matter under discussion, but in the introduction of a department I think considerable leeway has been given in the past. And really it puts the Chair in a bit of a bind here because the title here deals with, as the honourable member has stated, many facets of the Civil Service Commission, and perhaps this is the Minister's way of introducing the department. I certainly am not going to tell him what he must say. The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Chairman, on the point of order that has been raised, I would hate to restrict the Minister in his remarks because by the same token I don't think other honourable members should be restricted either, providing they're on the subject. So I would expect the Minister to be able to carry on, and other members to have a certain amount of latitude also.

MR. CHAIRMAN: The Honourable Minister of Labour.

MR. PAULLEY: If I may, Mr. Chairman, and I will not refer to points of order, buy my honourable friend the Member for Morris, I would suggest in all due respect has pinpointed . . .

The point that I was trying to raise, that as the Minister responsible for the Civil Service, the employees of this government, that we have taken certain approaches and

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(MR. PAULLEY cont'd) attitudes to give to them the rights that should be inherent in any democratic government. And I would suggest in all due respect to my honourable friend, the Member for Morris, aided and abetted by his colleague to his left, they don't like hearing the truth. That there has been such a change, there has been such - you know, I would suggest to my honourable friend, the Member for Fort Garry, that truth is so far divorced from his thinking, he is not able to distinguish truth and untruth. But in saying that of course, in saying that of course, Mr. Speaker, I am not asking you to judge the capabilities of the qualifications of my honourable friend, but I do say to him, if he happens, if he just happens to have a conscience, which sometimes may be questionable in some people's opinion; but if my honourable friend the Member for Fort Garry just simply happens to have a conscience, I ask him in a quiet moment of reflection to ascertain whether he has or whether he hasn't and I will not pass judgment as to whether he has or whether he's not, I'll leave it to him.

My point is in accordance with the Civil Service Commission, it's responsibilities, and in response to my responsibilities in this House, is to answer for the civil servants who cannot come into this House and speak for themselves. It could well be that a successor to this present Minister be he a Conservative, a Social Creditor or a Liberal, may take a different approach, but I agree with my honourable friend the Member for Portage la Prairie that in essence what he said was that the only way the civil servant can be heard in this House is through the Minister responsible, and I accept that responsibility.

Now then - now we have a few more back. I only wish we had one or two others of the Conservative Party who have given mouthings outside of this House as to the role of the civil servant, here present too. Because I reject, as I am sure that the vast majority of the civil servants will reject the approach of the Conservative Party in Manitoba that the Civil servant should be seen and not heard. We are listening to them. And if I can get the support, if I can get the support --(Interjections)-- you know, Mr. Speaker one thing I like about the Honourable the Member for Lakeside, on occasion he is truthful, that we don't listen to him. I also want to say to my honourable and pleasant friend that the reason we don't listen to him because he garbles utter nonsense constantly in this House. Now who in heaven's name would ever expect anybody with even a limited degree of intelligence, which can be myself, would be able --(Interjection)-- your wife is a charming young lady, how the hell she puts up with you, I don't know. But apart from that, that's getting marital and I don't want to get into family disputes. I don't want to get into family disputes, but I think that the wife of the Honourable the Member for Lakeside is a fairly perspective individual, a very intellectual individual, and I don't think there is a hell of a lot of difference between her assessment and my assessment of the Honourable Member for Lakeside. But we won't go into the degree as to what that assessment is. I think she's a very lovely girl. --(Interjection)-- But apart from all of that, Mr. Chairman, --(Interjections)-- I don't know, Mr. Chairman, whether it's a fireballing speech or not. I never intended it to be fireballing. All that I have been attempting to do

MR. WARNER H. JORGENSEN (Morris): Is to fill in an hour.

MR. PAULLEY: I can see now if my Honourable Member from Morris would make some intellectual approach with which I doubt he has the capability of doing, to the debate. If he can assure me, if he can assure me that any contribution that he makes is intellectual, then I'm prepared to sit down, but I doubt it, knowing my honourable friend.

But apart from that, apart from that, I feel this, Mr. Chairman, that the people of Manitoba have been let down by the ill conceived statements of the Leader of the Conservative Party in reference to the civil servants. I think that the people of Manitoba are well served by the civil servants. I don't think that they have to be berated by the Conservative Party, either those that sit at a 36,000-dollar stipend in the ivory tower or not, or whether they're represented by those in government that get the same stipend as the rest of us do for our contribution as MLAs. So I say, I say, on behalf of the civil servants of Manitoba, we appreciate the contribution that they make, and I am sure that notwithstanding the political stripe of the government of the day they will continue to make their contribution providing, providing they are not subjected to the restrictions suggested by the absentee Leader of the Conservative Party and that their rights and privileges are

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(MR. PAULLEY cont'd)not subjected to the admonitions given to them by the Leader of the Conservative Party who sits outside of this House. That to me, Mr. Chairman, I suggest is my responsibility. I have faults, plenty of them, as a Minister responsible for the Civil Service. I recognize those faults. I recognize that in the field of politics that when a fellow is a leader of a party in opposition without responsibility, it is a fascinating venture for that individual. Or challenging. I don't mind a challenge. I've accepted challenges all my life but I've tried to accept those challenges on the basis of truth and justice. And when I hear such ruddy condemnatory remarks insofar as our civil servants as has emanated from the red head who is the absentee Leader of the Tory Party, I feel that even if it takes me an hour, Mr. Chairman, that on behalf of those loyal people who are working in the Civil Service of the Province of Manitoba, that I should take that time.

I would suggest this, and I know and I appreciate that after what I have said today, there may be some members of the Conservative Party who are present in the House, who will criticize me for my honest and realistic approach on behalf of the Civil Service of Manitoba. I expect that. But I do say in expecting it, I do want them to be realistic.

We have before us, Mr. Chairman, the Estimates and --(Interjection)-- you want my resignation? You can damn well have it if you think . . .

A MEMBER: I'd say tomorrow.

MR. PAULLEY: Tomorrow? All right then, I dare you, I dare you to fill my shoes. --(Interjection)-- I dare any of you to fill my shoes because you haven't got the qualifications or you haven't got the intellectual approach to fill my shoes. --(Interjections)-- And I will say, Mr. Chairman, I would imagine that my shoe size is one of the smallest in this whole Assembly, namely size 6½. But I don't think, I don't think that one cotton pickin' member across the corridor there can fill my shoes, ineffective as they are. --(Interjections)-- Sterling Lyon? Good Lord, that's the only thing I think that that fellow can reasonably approach with intellect, is a coffee break. --(Interjection)-- Well my honourable friend there raised it. I have a great affection incidently, I have a great affection for that red headed individual insofar as sociability is concerned. But in intellectual approach as to the problems of Manitoba, as to the problems of the Civil Service, I have reservations which I've been attempting to draw to the attention of the House.

But anyway, Mr. Chairman, we have before us an expenditure of about 12 millions of dollars in the Civil Service Estimates, of which the majority is for benefits to the Civil Service through pensions and otherwise which this government has tripled over the miserly contributions given by the previous administration. And as we go through the respective sections of the department I will again rise and point out to our civil servants, to the people of Manitoba, how fortunate, how lucky they are, that in 1969 they in their supreme judgment and good judgment decided that it was time to cast aside the reactionary forces of the Conservative Party. May I just make a brief reference to an event that's taken place recently in the Conservative Party in Manitoba, that they did change the trend in getting rid of a leader who at least had some semblance of progressiveness, and have gone back, have gone back to the regressive reactionary input which has been historic of the Conservative Party of Manitoba.

Mr. Chairman, I comment to the --(Interjection)-- Yes, even command - I think that it would be proper for me, despite the tittering to say that I command this House to approve of the Estimates of the Civil Service Commission. Because they are realistic, they do indicate a spirit of camaraderia, a spirit of a realistic approach to the needs of the Civil Service of Manitoba as contrary to the concept of the Conservative Party of Manitoba issued from time to time by their present leader and echoed and abetted by the Deputy House Leader, the Honourable Member for Lakeside who would, I am sure, I am sure - who would I am sure, turn us back to the dark grim ages supported by the Honourable Member for Swan River.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: This must have been a discouraging hour for the civil servants of the Province of Manitoba. Here we have the Minister reporting to the House responsible for the Civil Service of this province who was given an opportunity to come

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(MR. SHERMAN cont'd) before Committee and report on his stewardship as that Minister in that ministerial capacity. And what do we get, Sir? Well we've seen the Minister deliver himself of some diatribes in this House, we have seen him deliver himself of some nonsense; we have seen him deliver himself of three or four resignation speeches, we have seen him deliver himself of . . .

A MEMBER: Sanity certificates.

MR. SHERMAN: Well at least apprise us of the fact that he has been delivered a sanity certificate. We have seen him occupy - or assume insofar as he could on as many occasions as he could the grievance, invoke the grievance procedure to deliver himself. I think last year we had two or three grievances. But this has to go down, Mr. Chairman, as one of the finest performances in utter nonsense that has come from this Minister or any member of the House while I've been here. I must say that this ranks as one of the most nonsensical performances and the most discouraging from the point of view of the opposition, and I'm sure from the point of view of the public service of this province.

All we have had is a hand wringing kind of apologia for the kind of position that the Minister has got himself into through his own twisted philosophy and his own self-importance where public service and where trade unionism and where the labour movement generally is concerned in the economic affairs of the province and in his philosophical position.

The Minister started out by saying that he wanted to praise the public service and the public servants of this province. Then he launched into a diatribe that did them a great disservice, Sir, so I have to ask you whether the actions of the Minister don't speak substantially louder than his initial words.

MR. JORGENSON: Come to think of it he never got around to praising them.

MR. PAULLEY: You wouldn't understand anyway.

MR. SHERMAN: He then relieved himself of a rather moderate level attack and criticism on my leader for having the audacity, for having the utter gall to speak out like the Leader of the major Opposition party in this province, the political figure in this province with the prime responsibility for speaking out from the perspective of the Opposition. But that's too much for this Minister, Mr. Chairman, As far as he's concerned that is not acceptable, that is not proper, that isn't playing the political game according to the political rules as he sees them. For my leader to speak out on subjects of importance in society is a travesty of the political system according to this Minister. He doesn't have a seat in the House at the moment so he shouldn't speak out on any of these things.

I want to remind the Minister of Labour that the things that my leader had to say about the Civil Service could only be construed in the most twisted mind politically as a criticism of the Civil Service; or as berating, as he puts it, berating the Civil Service. There was no berating of the Civil Service in the remarks that my leader made. He made some remarks that I think bear the conscientious attention and scrutiny of this Minister and this government and they're well founded in the conduct of the Civil Service in recent years itself.

I want to say before I go any further, Mr. Chairman, that I echo the words of the Minister up to the end of about the first two minutes of his delivery this afternoon, if it can be called that. I support and endorse what he had to say about the public service and the public servants of this province. I join with him in paying tribute to the responsibility, the sense of responsibility and the sense of service that they have brought to their roles; and to the conscientiousness that they have brought to their roles as our public servants, and I thank them. And I go beyond him, to thank them for enduring the kind of leadership, if one can call it that, that they have received from this Minister, particularly during the past two or three years. I think a few years ago that probably this Minister did speak out for some of those in the public service and industrial sector who required a spokesman, required an advocate of some sort, but in the last two or three years, Mr. Chairman, I think you'd have to concede that it's gone beyond the point now of value to the industrial sector, to the labour movement, and to the public service sector of this province. The ramblings and the outpourings and the drivel of the

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(MR. SHERMAN cont'd) Minister really do them no service at all, Sir, and so I say, I salute them for the service that they've given this province and for the tolerance and the patience that they've shown in serving under the Minister who treated us a few minutes ago to that 45-minute sample of dribble and, as my colleague from Morris says, insanity. I don't know whether we can use that term insanity, because we know that the Minister has received the kind of certification that has allowed him to come into this House and say, "See I am sane, I am sane." And so we'll accept the fact that he's got that kind of a professional accreditation. But it certainly must be difficult and discouraging for those who serve under him.

Mr. Chairman, the Minister took me to task for what he calls hindsight. In the initial phase of his remarks he had some references about the hindsight of the Member for Fort Garry. Then he treated us to, by his own admission, a little trip through history. He wanted to take us back through history to pat himself on the back again and tell us again; remind us again, and remind himself again, of all the wondrous things he'd done as the Minister of Labour and the Minister responsible for the Civil Service. No word about the present, Mr. Chairman, no word about the future, no word about where the province is headed in terms of its public servants; no word about the increase in the size of the civil service staff, which is not extreme by any means but certainly is deserving of some attention by this Minister I would think in his opening remarks, and I'll come back to that. But no, Sir, simply in the words of the Minister, a little trip back into history. "Let me take you back into history," he said. And that coming from the Minister who launched his remarks, among other ways, by accusing me of approaching the areas in this Chamber for which I am charged with some responsibility on the opposition side, of hindsight.

So I ask you, Mr. Chairman, when you read the reports of these committee proceedings, whether you would not safely conclude and come to the same assumption that I'm suggesting to you at this point, that it's a pretty contradictory position that the Minister has taken, and it leaves us on the opposition side with no recourse but to do the thing that we would like to do anyway and would hope the electorate would charge us with the responsibility for doing, and that is taking and assuming and showing the leadership role that is necessary with respect to this Commission, this department and virtually, with the exception of one or two excellent Ministers on the front bench opposite, but virtually every department of affairs in the life of this province. If the Minister responsible for the Civil Service Commission won't take that leadership, won't show that initiative, won't report on his stewardship, won't look to the future, then we in the opposition are prepared to do it for him, Mr. Chairman. We're prepared to do it as opposition, and better than that, we're prepared and hopeful of doing it as government in place of the Minister and his colleagues.

MR. PAULLEY: What a hope.

MR. SHERMAN: So, Mr. Speaker, let us ask the public servants of this province to take hope and to take heart and not to be discouraged to too great a degree by what happened this afternoon. That there are people in this Chamber who are concerned with their position; there are people who have seen them come to a point of confrontation with this Minister and with this government only 12 months ago; there are people who have seen them go before the Industrial Relations Committee of this Legislature with some legitimate, albeit arguable claims and requests and demands; there are people in this Chamber who have seen them present new wage demands this year to the government which apparently add up to a serious consideration for all us taxpayers in the province, there are people who have seen them, for example, expand in size at a level which I've suggested is not wildly extravagant, but still is inconsistent in my view with the framework of restraint within which we're supposed to be operating - and apparently all these things have passed right over the Minister's head. As far as he's concerned, Mr. Chairman, everything is lovely and lovey-dovey in the Civil Service, between the Civil Service and the Minister responsible, between the Civil Service and this government.

Well, I say, Mr. Chairman, that of all the nonsense and all the rubbish that the Minister spouted a few minutes ago, that was the greatest, that was the greatest nonsense and the greatest rubbish. Because this Minister who has been deluding himself for three

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(MR. SHERMAN cont'd)years now, that he is able to command and control the affairs in the industrial and public service sector of this province in a harmonious way and in a beneficial way to society, has deluded himself further by telling himself - perhaps he does so when he goes to bed at night, recites it like rote - that all is well with the Civil Service. Well I challenge the Minister to face the reality of the case and the reality of the fact as outlined to a degree by my leader, but as is going to be outlined to an even greater degree by those of us who serve under my leader and occupy these benches. We tell this Minister, Mr. Chairman, that all is not lovey-dovey and all is not well between the Civil Service of this province and the Government of this province, and particularly between the Civil Service and the Minister responsible. If it were all wonderful and smooth and well, then why would we have the near confrontation we had last year? Why would we have the kinds of appeals and approaches that have found their way into the Industrial Relations Committee in interesting form? I was pleased to see that kind of participation and involvement by the MGEA, but why would we have these kinds of activities, why would we have this kind of position staked out by the public service of this province if everything is so great?

The fact of the matter, Mr. Chairman, is that morale is low in this Civil Service. It is still the greatest Civil Service in this country; it is still performing service over and above the call of duty to the people of this province, but I say that it is doing it under an extremely heavy burden and handicap, greater than ever existed on it before, because it is as a service troubled today in a way that it was never troubled before. It is troubled because of the attitudes of this government and this Minister and because of some of the initiatives that this Minister has taken in the general industrial field which have given rise, as we've said before, Sir, to totally unrealistic and unattainable expectations which are harmful to the morale of the Civil Service; which are harmful to the affairs of this province; and which more than anything else are harmful to the overall economy. The combination of that has led to an unrest and a feeling of dissatisfaction and a feeling of anxiety, which adds up anyway you want to cut it, Mr. Chairman, to a decline in morale. Now if the Minister doesn't like that, let him think up another term, let him use other semantics, but I say that however he wants to put it, that kind of feeling, that kind of attitude, adds up to a decline in morale which is what my leader has said and what we on the benches of the opposition here echo and what we believe and can be proved by the events of the last two years is a fact of Manitoba life, that the morale of the Civil Service has slipped, has declined under this Minister and under this government. Mr. Chairman. . .

MR. CHAIRMAN: Order please. The hour being 4:30, I am interrupting proceedings of the Committee . . . Order please. According to our Rule 19(2), I am interrupting the Committee for Private Members' Hour and shall return to the Chair at 8:00 this evening.

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MR. CHAIRMAN: There being a quorum the Committee will come to order. I refer honourable members to Page 49 in their Estimates Book. We are on Resolution 104(g) Post Office: (1) Salaries. The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Mr. Chairman, if you could advise us where the Minister is at this point.

MR. CHAIRMAN: I'm informed the Minister will be with us momentarily.

MR. MINAKER: Oh. I wonder if it might be not a bad idea to wait until the Minister is here so we can ask him the questions.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Mr. Chairman, the other day I left off under the section called the Post Office. I was rather concerned at the ever increasing amount that appears under this section of the Minister's Estimates and more so concerned due to the fact that investigation by myself in the last several days has led me to believe that there's a rumour floating around, and now that the Minister is here maybe I will ask him if this rumour is indeed fact; that the government intends to create another post office in the Woodsworth Building, which would seem to me what I would consider to be a federal jurisdiction, namely, Post Office Situation.

I was just wondering why would we have a post office in every new government structure? Maybe that's an exaggeration, but I would like to ask the Minister: is there going to be a new post office, besides the one in this building, in the new Woodsworth Building?

MR. CHAIRMAN: The Honourable Minister.

HON. RUSSELL DOERN (Minister of Public Works) (Elmwood): Well, Mr. Chairman, I think the member has to bear in mind that there are some fairly large and complex government buildings and that a lot of the mail is internal. If you're familiar with the government operation you'll know that a lot of mail does not go through the regular mails, but goes through inter-departmental memos and other envelopes, etc. We find it worthwhile to have in our larger buildings small post offices, if you like. The main post office is in the Archives Building. But I guess there might be what you might call substations, so they're of a very small size. I don't know what the staff would be - maybe my Deputy--(Interjection)--One person in each of these other locations.

MR. WILSON: Mr. Chairman, yesterday I went down and viewed the one in this building. There's supposed to be two employees in this building and eleven at the Archives Building and you're saying now there's only one. Are my figures incorrect?

MR. DOERN: Well the main post office is in the Archives Building, and apparently there are two people here. But there's a sub in Brandon, at the Robert Fletcher Building and at Fort Osborne and those are one apiece.

MR. WILSON: Do you also have a post office in Beausejour?

MR. DOERN: No.--(Interjection)--We do? Well apparently there is one there but it's more than a post office. There are other parts to the job.

MR. WILSON: Would it be too much to ask - maybe I should ask it in an Order for Return - but I'd like to find out where all the government post offices are and I might ask that question later on. I wondered if you might answer the question: I've always been led to believe that when mailing mail to Ottawa that is addressed to the Federal Government that it doesn't require any postage. I may be wrong but I understand that this government puts postage on all letters going to the Federal Government.

MR. DOERN: I'm not familiar with that procedure. I know that if you write your Member of Parliament you don't have to have a stamp. But general mail has to be stamped.

MR. CHAIRMAN: Resolution 104(g)(1)--pass; (g)(2)--pass; (g)(3)--pass; (g)--pass. Resolved that there be granted to Her Majesty a sum not exceeding \$3,485,300 for Public Works--pass?

MR. WILSON: Mr. Chairman . . . (inaudible)

MR. CHAIRMAN: That Resolution 104 pass on division. The Honourable Member for Wellington.

MR. PHILIP M. PETURSSON (Wellington): If the member is casting a negative

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(MR. PETURSSON cont'd) vote it should be done so that it can be recorded, and I don't believe that it is recorded in the way that it was being done. Isn't that right?

MR. DOERN: Proceed.

MR. CHAIRMAN: Resolution 104--pass. Resolution 105, Gimli Industrial Park: (a) The Honourable Member for St. James. The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, of the \$1,999,000 invested in Gimli Industrial Park, can the Minister indicate how much money has been spent to date on that park? Would that be a fair question to ask under this?

MR. CHAIRMAN: The Honourable Minister.

MR. DOERN: There was an Order for Return that was requested by the Member for Charleswood. This is up until March 31st, 1975, which was a year ago. Up to that time the gross expenditure for capital was just slightly over \$1 million, \$1,090,000. In terms of gross expenditures, in terms of operations and maintenance etc., day-to-day expenditures, some \$4 million. But then there were revenues of 2.4 and consequently a net expenditure of about \$1.7 million.

I might point out that we are optimistic that we will be able to negotiate an extension or an addition or a new arrangement with the Federal Government for a sum of money. I think in the first instance we received 1.628 million from the Federal Government and we intend to discuss with them in the next few months the possibility of extending the agreement for another several years.

MR. EINARSON: Yes. Well, Mr. Chairman, I'm interested in knowing why is it then that there are a number of parks in the Province of Manitoba - how come that the only park included here is Gimli Industrial Park - how do we find out then about the rest of them? Say Spruce Woods, Rock Lake, Birds Hill and so on.

MR. DOERN: I think, Mr. Chairman, this is a matter of semantics. The word "park" here is really a kind of a lovely name for an industrial park. This is not the type of park where you go with your family for a picnic. This is an industrial park where there are commercial and industrial business firms operating.

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

MR. MINAKER: Mr. Chairman, through you to the Minister. I wonder if the Minister could advise why the salaries for personnel at Gimli Industrial Park have gone up 81 percent for the past two years. I believe that the budget for 1975 was \$454,100 and we're now looking at \$820,000.

MR. CHAIRMAN: The Honourable Minister.

MR. DOERN: The 1974-75 figures were 61 staff, SMYs, and that is going to an increase, what we're requesting, to 77 which is an increase of approximately 16 staff.

MR. MINAKER: Why the need for the increase in staff? No, I'm being serious because I understand that Saunders is now sort of mothballed and we're wondering why you'd have to go to an additional 16 members that being the case.

MR. DOERN: I guess it's basically because of the size and the complexity of the facility. There's going to be an expansion. As you know the CNR is going to construct a \$3 million facility and has what looks like a permanent ongoing facility there and we're very pleased with that.

But in addition to that I think what will probably happen in the next while is that in the next short run that Saunders will be consolidated basically in a portion of one hangar. They are now occupying three hangars and I think two are double hangars. One's a double and two are single. Let's say they have the equivalent of four hangars now and they're going to be consolidated in one hangar. We have some offers and some interested parties who will occupy the rest of the space so that rather than a wind-down, there's going to be, first of all a replacement and then secondly there's going to be an expansion because of the CNR. So we are expanding the facility and will require a few more people in maintenance and a few more in operations and a few more in the lodge, Aspen Lodge provides food services.

MR. MINAKER: Mr. Chairman, through you to the Minister. How many square feet addition will the CNR addition be for the \$3 million?

The other question while the Minister is searching for the answer: would he

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(MR. MINAKER cont'd) advise in the case of where the railway is adding and expanding, would they not have their own manpower in there or how would there be a need for an additional 16 people to handle such an addition? Or if you're consolidating Saunders into one hangar why that would mean additional man hours required by the Public Works Department?

MR. DOERN: I guess, Mr. Chairman, what has happened is that there has been a build-up in staff over the past couple of years and some staff were added during the year so that if you look I guess at the actual number of personnel employed in the past year, some added over and beyond I guess original authority, then you wind up with a net increase of from 75 to 77.

Now in terms of how many square feet for \$3 million - right now the program, I guess the architect is designing but we will see if we can pull that figure for you.

MR. MINAKER: The reason I raised the question, Mr. Chairman, was to try and see if there was some kind of relationship to - you know it is such a big addition I would presume that it's going to cost somewhere around \$20 a square foot at least, maybe 30. You're probably looking at 100,000 square feet. Does that necessitate 16 additional men?

MR. DOERN: No there is no direct correlation there. As I said, if you want to take the Saunders example, there were I guess in the past couple of years there were additional staff added. I'm trying to think of which . . . the member is questioning about the effect of Saunders. The staff is required to run the base and as I have said if Saunders winds down as well these other people will be leasing the same amount of space. Not all of these hirings are related to Saunders at all. They're there for the general running of the base.

MR. MINAKER: Well what are the main responsibilities, Mr. Chairman, of these particular personnel? What are their functions? I would presume that anybody that's located out there like North American Laboratory Supplies or Capar and Capar or CNR would all have their own security personnel I would presume and some of their maintenance people would look after the cleaning of their own facilities would they not? How does this function work with your personnel?

MR. DOERN: We have a steam plant for example which is operated; we have a sewage system; water system; we have security personnel; we have people involved in the restaurant.

MR. MINAKER: Didn't all this exist many years ago? I know the sewage plant did; the water treatment plant did and I presume at that point you had a central security system. Why the build-up of 81 percent in costs over the last two years?

MR. DOERN: Well of course the question is whether it's a build-up or whether it's a catch-up; whether there was adequate staff before. We regard this as a highly complicated and sophisticated operation. This is really like a small town. It was a large air base before. Now I don't know how many personnel they had before, I think we operated with considerably less. They had 200 civilian personnel employed on the base and how many do we have? We have 75.

MR. MINAKER: What is your estimated revenue for the coming year for rental of space?

MR. DOERN: \$1,181,000.

MR. MINAKER: So it will be operating at a deficit of roughly \$810,000. Is there any effort on the part of the Minister to try and cut down that deficit?

MR. DOERN: Well there certainly is. You know there's only two ways we can do that. Well I suppose you could always try to make your operations more efficient, that is one way. Another way would be to raise the rates. That's something we have to take a hard look at because the attraction to the Gimli Industrial Park has been low rental rates. I have to ask my Deputy what we started with - was it 80 cents or a dollar something? Fifty cents a square foot plus heat and now in most cases we're still in that kind of an arrangement because of leases that were signed. We have to now take a look at whether we're going to, you know, increase that rate, double it or another 25 cents or what. Then you'd have to relate that to the impact on these businesses. I mean if some

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(MR. DOERN cont'd) of them go belly-up or if they decide to pull out and look for space in Winnipeg it's obviously a cost situation and that's another. The other one is of course to get some money from the Federal Government. We did get money from them in the first instance. I think they have an obligation to us in regard to the industrial base and in regard to Saunders Aircraft, and they seem to have pulled out in regard to Saunders in terms of offering us any support. But I am optimistic about the fact that they will respond in regard to their obligation to the Gimli area. So, you know, it's one of these cases of, are we going to run at a profit on our operating or are we going to run at a loss which will have an economic benefit in the area.

We were doing well I think up until about a year ago. We're still doing well but, you know, now we're faced with certain expenditures. For instance right now at the Industrial Park there's about 33 companies operating; there's 288 full time employees and there's 24 part-time there. You know that's a fairly significant operation in an area like the Gimli and surrounding district. That's a pretty crucial kind of operation.

MR. MINAKER: Mr. Chairman, through you to the Minister. Can the Minister advise us if the revenue figure that he just gave us - I think it was \$1,180,000 - did that include the \$130,000 recoverable from Canada?

MR. DOERN: No apparently not.

MR. MINAKER: The other question that I have - I'll yield the floor to someone else now and I'll pick it up later on.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Yes I see where you give this money to Gimli. Do the industrial parks at Morden and Winkler get any money from the government?

MR. CHAIRMAN: The Honourable Minister.

MR. DOERN: I'm sorry, Mr. Chairman, I can't answer that question. It's not my responsibility. Public Works is responsible for this industrial park, not the others.

MR. HENDERSON: Not the others. To what Minister would this come under then, as to whether those industrial parks out there get any money.

MR. DOERN: It sounds like Industry and Commerce to me or it could be the Minister for the MDC.

MR. HENDERSON: That's all.

MR. DOERN: Both lovable people.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Well, following along that line of questioning. With an \$810,000 deficit and this sort of being an indication that the government has not been consistent when, as the Minister pointed out, there's other industrial parks throughout Manitoba that don't seem to be getting the subsidy. I'm wondering if it's fair to the other taxpayers of the province to be subsidizing only this one Gimli situation and if this federal obligation that he's alluding to that may take place, is this something over and above the \$3 million facility or is this sort of something he's expecting in the way of a cash grant. Maybe he can explain what type of federal obligation is he alluding to?

MR. CHAIRMAN: The Honourable Minister.

MR. DOERN: Well, you know, you and I are both young and didn't make it in the Second World War but you recall that there was an air base there. There were 800 Air Force personnel and a couple of hundred civilians. The Federal Government made a decision to close down the base presumably on economic grounds plus political and military grounds and the result is that the people at Gimli were kind of left high and dry because the base obviously had an impact and a relationship with the town in the surrounding area. It was I guess either a case of letting the whole thing go to wrack and ruin and the weeds and decay take over or try to do something. Our government tried to keep the base going. It wasn't too long ago people were saying maybe the Town of Gimli wasn't going to make it, that it was just going to completely collapse economically. There was a sort of a dismal future and our government has tried to do things there in the waterfront, in the town, and we have tried to keep the base going.

Now whether the Federal Government has an obligation to these other places,

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(MR. DOERN cont'd) they probably do have a general obligation, but there was it seems to me a direct responsibility because of the adverse effects of their decision. It's like the old Air Canada business, pulling Air Canada out of here. People feel that when that was done that something should replace it either equal or comparable.

MR. WILSON: We share your concern, Mr. Minister. Is there any way that we could emphasize this to the Federal Government? Because I certainly couldn't go along with continuing to pour money into the Gimli area at the suffering of the rest of the province and sort of to the discrimination of the other parts of the province.

Getting to this Saunders Aircraft and your list of tenants. Is it your department now that's paying the maintenance of these hangars?

MR. DOERN: Yes, it's been transferred to us. But two things are happening. First of all we are responsible for the rent on those hangars, etc. But at the very same time, as I said, I think that obviously if we kept these three hangars, a double hangar and two single hangars, if we kept them as they are then this is going to cost us a great deal of money. But it is our intention to consolidate the Saunders operation in basically one hangar, a half of a double hangar which is equivalent to one hangar, and to seek tenants for the other three. We think that within a very short period of time - we have some live ones now - so in a couple of months or within six months I think they'll be filled. Therefore we will be responsible for only a portion of the previous Saunders rents.

MR. WILSON: Except for one thing. In my literature that I send out to my constituents, I'm attempting to find out the total cost of Saunders Aircraft and if your department is now picking up the cost of the maintenance of this Saunders Aircraft Corporation then we're really guessing as to what the total loss for Saunders Aircraft may be.

MR. DOERN: No, no. It was made very clear by Mr. Green what was being done. So if you want to add up the costs then you take one figure I guess from MDC and take the second figure of rental from us and just add them up. We haven't tried to disguise that.

MR. WILSON: All right. One last question then. Could you explain to me these Aspen Park housing units? What type of monthly rental? How many tenants are there and what type of monthly rental do they pay there?

MR. DOERN: There are 184 units and there are now 111 occupied. There are 20 trailer pads and there are eight occupied. Now I think that at one time they were all occupied, we had 100 percent occupancy. But because of the Saunders wind-down clearly there is only - I don't know what the percentage is - about 60 percent occupied now. But you know if we get some new industries in there and so on we should recover some of that.

MR. WILSON: You haven't really answered the cost part of it but before you do that I wondered if I might throw a thought out. If these units remain empty this summer would these units become available for recreation purposes? I know Gimli is quite a summer resort, has any thought been given to renting them out on a short term basis? It would appear that you have about 73 units vacant at this time.

MR. DOERN: Well we do rent some larger dormitories out to groups. We have conventions there, etc., and I think maybe some of those are available on a short term basis. But in addition to that I think, you know, if the situation warrants it that we would consider something like that.

MR. WILSON: Would you know what the rentals are? Could you give me some . . . ?

MR. DOERN: We'll dig that up.

MR. WILSON: Oh fine, fine.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Thank you, Mr. Chairman. Mr. Minister, earlier you mentioned that with respect to Saunders you are in the process of consolidating things into the one hangar, I believe you said, from the space that they occupied as a full manufacturing process. That's understood. While it may not be a direct responsibility, I understand that you're pursuing the idea of trying to get different groups and industries to locate into the space made available by this consolidation or contraction of Saunders

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(MR. ENNS cont'd) space up to now. Have you been - and I don't want to get into the Saunders debate with you, Mr. Minister, I think that's a debate carried on with another Minister in another department - but as custodian for the building, responsible for the building, are you looking at a long term responsibility in terms of watching over these mothballs, as a long term responsibility and a charge against your department? Or have you been given any indications as to the period of time that this considerable space is going to have to be set aside and carried by your department?

MR. CHAIRMAN: Before the Honourable Minister answers, it is just a minor point of procedure. But the honourable member should address his remarks to the Chair and not directly to another member. The Honourable Minister.

MR. DOERN: Well, Mr. Chairman, I guess this is all contingent upon finding someone who is interested in buying the rights to Saunders. On that I think there's apparently some interest in it. I can't really comment on who or how much or when. But you know clearly as long as there is a good prospect of selling the assets then we will obviously maintain the space. But in the long run I suppose it's possible that the Saunders operation will go elsewhere or . . .

MR. ENNS: Through you, Mr. Chairman, a question. The department, your Department of Public Works, in making new arrangements with other industrial enterprises that you hope for, that we all hope will be attracted to that area, if they then take up some of the space that's become available as a result of the consolidation, that really leaves little room for a rebirth of Saunders six months or a year down the road. In other words I would assume that you're looking for some tenure or pretty solid corporate citizens that will be moving hopefully into some of these empty hangars or these three hangars that have been made available as a result of consolidation. I'll ask you Mr. Minister, through the Chairman, a direct question. What kind of leases do you have now on some of the property with some of the existing plants? What kind of leases would you contemplate signing with say an new entrepreneurial group for some of this left over Saunders space? I believe it would have to be more than on a year-to-year basis to offer some security to the persons. Could I ask what kind of leases you generally sign with industrial groups at the park at this time?

MR. DOERN: Well I suppose a normal lease that we would sign would be for several years, from two up until five. But you know the Saunders asset, I guess historically, has been at Gimli and maybe will continue to be for a long time to come. But the asset is not necessarily tied to that particular location. I mean if somebody wanted to buy it and pay \$30 million and move it to another part of the province or move it out of the province I think we'd have to consider that.

MR. ENNS: Well the point that I'm trying to make is, on the other hand somebody that wanted to revitalize Saunders, would you be in a position then to throw out existing tenants to allow Saunders to come back for some of the space? The space that they've obviously been contracted into and consolidated into is for storing purposes. It would not allow for resumption for the kind of level of manufacturing that took place during the period of the Saunders actual manufacturing. You know really I know we're skating on a thin edge here, Mr. Chairman. I'm just trying to establish firmly with the Minister and with the department that they are, in effect, actively engaged in trying to find suitable tenants for the space that's been made available as a result of the consolidation of that space that was used to . . .

MR. DOERN: There's no question about that.

MR. ENNS: Okay, that's fine.

MR. CHAIRMAN: The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): I wanted to ask the Minister about the revenue for 1976, I believe he was referring to, would be down \$1.81 million. The figures I have here for 1974 are \$2,395,912 - that's the revenue for 1974. Now if it's down \$1.181 million, \$1.181 million, you're going to have \$1.2 million difference. I'm wondering where that major difference comes from two short years.

MR. CHAIRMAN: The Honourable Minister.

MR. DOERN: Is the member reading from the Order for Return?

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MR. MOUG: Yes, right.

MR. DOERN: The 2.3 figure?

MR. MOUG: Right.

MR. DOERN: Well that figure is for from September, 1971, to March, 1975. So that's three and a half years. The revenue figures you see there are over that period of time.

MR. MOUG: Oh, for the total period of time. I'm sorry.

MR. DOERN: So your average would be about \$700,000 a year.

MR. MOUG: The average was \$700,000 and it's going to be down . . .

MR. DOERN: Well, of course it would vary. Probably started smaller and built up.

MR. MOUG: Yes, right, each year. But the revenue you were referring to to the end of March, 1976, then the revenue would be 1.181.

MR. DOERN: 1976-1977.

MR. MOUG: 1977, and you expect it to be down \$1,181,000 for the year, for that twelve month period? It seems to me like it's a too large amount to drop in any twelve-year period regardless. I know my figures are wrong that I'm picking up here for revenue and I'm aware that they're wrong. But to drop \$1.181 million in any one year, or what is it down from? It's down to \$1.18 million.

MR. DOERN: Right. We're off from about a million and a quarter this year to next year, 1.18. So that's \$70,000. That's of course a projection.

MR. MOUG: Now Saunders, their portion of rent I suppose for the year 1974 was \$115,000. I'm wondering what portion of that the government carries on with. I know it's just inter-departmental, it's all government money regardless of how you switch it. But in those figures you're giving us of the anticipated drop in revenue, how much of that \$115,000 that have Saunders taken out, how much is left in, what portion will the government be . . .

MR. DOERN: Yes that was completely taken out.

MR. MOUG: The 115 is right out. Well then with Misawa Homes they were paying \$35,512 annually and I believe at that time the government was part owner in that.

MR. DOERN: Right.

MR. MOUG: How would they stand now and what portion of that did the government pay for this current fiscal year and what portion did Misawa pay?

MR. DOERN: From our point of view they're paying their rent. But just to what the exact responsibility of the province is in relation to Misawa I honestly don't know. We just regard them as a tenant so I can't give you the breakdown.

MR. MOUG: In the Estimates, Mr. Chairman, or the Public Accounts for year ending March 31st, 1975, under the Gimli Industrial Park it mentions two figures here that I was wondering. There were several figures.

MR. DOERN: Can you give me the page, please.

MR. MOUG: It's page 190. Gimli Industrial Park has \$1,143,719 and Other Expenditures are over a half-million dollars. I'm looking at Subsistence of \$140,438. What is it for?

MR. DOERN: Oh, \$140,000. That's food. What happens is that we have a gross accounting system so that whatever we buy they simply put it in that account. But whatever we sell back, like it's not the difference between what we're purchasing and what we're selling for, that's simply our purchases. The sales are in another account.

MR. MOUG: . . . Aspen Lodge, food and supplies for the operation of that restaurant or whatever.

MR. DOERN: Right, right.

MR. MOUG: Well, I was wondering then. Revenues out of Aspen Lodge, can they be broken down so we would have an idea of how much money Aspen Lodge turns over and at the same time I was wondering if you haven't explained to Committee previously, if you'd explain what type of operation Aspen Lodge is, how elaborate it is. Is it open to the people of the Town of Gimli and the public in general or is it basically there for those working in the park.

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MR. DOERN: Basically for the base, the anchor of the whole operation is CN. They are our big customer. The gross sales this year are about \$465,000 and we expect to make a profit on that of about \$180,000.

MR. MOUG: Gross sales, \$465,000. Anticipated profit of \$180,000.

MR. DOERN: Right.

MR. MOUG: Would you have the operating costs of the lodge on hand, Mr. Chairman? Aspen Lodge. The listing in the report, Mr. Chairman, of major industrial tenants at the Gimli Industrial Park, and it lists several including CN, etc. I was wondering if the Minister could explain to us how many of the dozen or so tenants are involved in MDC loans or are funded by MDC. If he has that information, I'd appreciate it. I know possibly there are other places to get it, but I was wondering if he had it I'd appreciate having that information at the time.

MR. DOERN: I can't give you that kind of a breakdown, at least not like this. The government could supply it, but not Public Works per se.

MR. MOUG: Are you referring to the MDC funding, now, or . . .

MR. DOERN: Many of them aren't. Aspen Auto Upholstery, TBM Sound, Capar-Capar, Children's Co-op, Crossman Enterprises and so on, I assume that a lot of them don't. I don't know how you, in your Order for Return, you know, selected the industries that you did, but there are 33 in total. Which ones get funding and so on, we couldn't answer that. You asked for operating expenses of Aspen Lodge. The sales as we see - I have another figure here which is \$488,000 a year. Operating Expense of a \$167,000. Food, \$141,000 and net profit of \$179,000.

MR. MOUG: Mr. Chairman, what period of time were those figures taken from?

MR. DOERN: That was 1974 to 1975 fiscal year. And you know, a typical month for example, just to give you an example, I'm not sure what month I have here. The month of March, a year ago. We had for example cash sales of \$4,300; banquets, \$1,700; seminars, \$6,500 and then CN sales of \$28,000. So you can see how they are vital to this particular operation.

MR. MOUG: Are most of those banquets and things that go on at that place, are they mostly from within the bounds of the park itself and not so much from the outside area?

MR. DOERN: . . . the whole district, they can be held there of course. A lot of the park is utilized by people in the town, in the greater area. There is a swimming pool, bowling alley, recreation centre, tennis courts, golf, all sorts of things.

MR. MOUG: The question I'm trying to ask you in probably a little too polite of a way is: does the government take some of their functions out there that could possibly be held in business places in Winnipeg? You know other than in government subsidized, shall we say, operations.

MR. DOERN: I can't be too specific but there are some conferences held there and so on. We think we operate a pretty good facility both in terms of recreational facilities, accommodations and food. I don't know if it's five-star first class but it's not bad at any rate.

MR. MOUG: It's a clean ship at any rate, is it?

MR. DOERN: Yes.

MR. MOUG: I wonder then if the Minister, Mr. Chairman, could explain on that page 190 of the Accounts, \$91,686 Grants. Is that Provincial Government money they're granting with and is it going to who?

MR. DOERN: Is this under Other Expenditures?

MR. MOUG: It's under Other Expenditures, yes. The very last item under Gimli Industrial Park.

MR. DOERN: We'll have to dig that one out, I don't have it at the moment.

MR. MOUG: I think that's all I have right now, Mr. Chairman.

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

MR. DOERN: I could give the rental rates which the Member for Wolseley asked for. Now this includes water, heat and electricity and they are pretty good rates: five bedroom, \$230 a month; four bedroom, \$175 a month; three bedroom \$155 a month

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(MR. DOERN cont'd) and two bedrooms, \$135 a month,--(Interjection)--it's a double unit actually. You would have to have ten children to occupy this.

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

MR. GEORGE MINAKER (St. James): Can I ask the Chairman, what is the policy of his department with regards to utilization of say vehicles by another department or utilization of equipment by another department. If I understand the Estimates before me, under Section 3 which we dealt with, that you try and operate your department as though it was a self-sustaining type of service. Is this correct?

MR. DOERN: Not entirely.

MR. MINAKER: But normally I would presume that when you lease a car out you try and recover the cost.

MR. DOERN: . . . provincial garage. We've built into the mileage rates our maintenance and operating costs.

MR. MINAKER: Why I raised the question is I'm quite disturbed with the answer that the Minister gave when he was answering - I forget whether it was the Honourable Member from Pembina or Rock Lake - with regards to why there wasn't some kind of a similar type of offer given to other industrial parks. I almost got from the Minister's answer that he thought that his department was responsible for social effects in the community if the service didn't exist. I'm quite concerned with the \$810,000 deficit. It's always been my understanding the Public Works Department was primarily responsible to run the buildings and keep the cars going and provide the services at cost to the various departments that they are providing the service to. But it would appear in this particular instance that it's not the case with the answer the Minister gave. He said they can't let it close down and so forth because of the impact on the Gimli area. I would hope that that is not the case because really then the department is being used as another source of funds for looking after a social problem within an area of our province. I think that is wrong. If the government chooses to keep the facility going in Gimli, and I see nothing wrong with that, then if they are not going to charge a cost rate for this service that people are utilizing, then I think a grant should come from the government to the Department of Public Works so at least it can operate and function as it should, not as a social agency but as an operating agency. So I hope that the Minister will look into that particular area. I appreciate you can't always get the dollars you want for your leasing but I would hope that they are not just utilizing the department to help the problem that exists in Gimli and not operate it as an efficient and maintenance operation.

MR. DOERN: Obviously Public Works is not a social agency, it's a service department. But you know bear in mind that you went from a viable operation, a military base, to a complete closure and then the question became, what should we do? Obviously as part of the start-up costs you have to, you know, make an attractive offer to people. Now if we had charged near Winnipeg rates for industrial purposes why should anyone go there? So, you know, it's part of the start-up costs. Many businesses that start up lose money for a number of years, it might take them two or three years to show profit and I think that's roughly what's happened here. We deliberately set our rates low to attract tenants and I think we've been very successful in that regard. Now I guess we're going into phase two. I guess we'll have to take a hard look at our rates because, I've raised this question with my staff as to whether we shouldn't be increasing them. You have to charge what the traffic will bear and then weigh that against the social and economic effects. I can make a recommendation to the government, let's say that we triple the rates, but if that means that as a result twelve businesses go bankrupt or leave and we have empty space, etc. then that may be a worse effect. But that won't be my decision ultimately. We will simply make our best recommendations and the broader questions of social policy and socio-economic effects will be determined by the government. We will look at the rental rates and we'll look at the maintenance and operation, the capital required, and we'll act accordingly. We will simply not make an economic judgment. I mean the government will possibly look at other aspects. If we can make a profit here, then we really are doing very well. I mean we'd have the best of all

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(MR. DOERN cont'd) possible worlds. If we have to operate the base at a loss and are able to provide several hundred jobs in the process, then that's another decision the government will make.

MR. MINAKER: Mr. Chairman, I understand the Minister as saying that he would like to run his department as a service department, but if that be the case, then really to keep the books proper there should be recoverable sources of funds from another department, whether it be a direct grant from the government or whatever. Because otherwise one can see where you don't really know the total economic cost to overcome a social problem within an area because it can be hidden in different areas in different departments. I would hope that he would run his department as a self-sustaining, not to make a profit necessarily but self-sustaining utility or service.

MR. DOERN: I would not turn up my nose at federal money. They offered us \$1.6 million, we're going to approach them for more money. If they offer us a couple of million dollars and that helps us run a break even situation, given federal assistance, then I'm not going to turn that down.

MR. MINAKER: That's another source of revenue, really, or a grant.

MR. DOERN: Just on that point if I could. The Member for Charleswood asked about a particular grant. That item is actually under Provincial Parks. That Other Expenditure item of \$25,000 was not under our department, that was under Provincial Parks on page 192.

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

MR. MINAKER: If the Minister is finished, Mr. Chairman. With regards to Misawa Homes . . .

MR. DOERN: That figure - sorry for interruption - that other figure is grants in lieu of taxes. That's us making a grant to the town or municipality. It's not a receipt, it's an expenditure.

MR. MINAKER: It's a grant in lieu of taxes. Mr. Chairman, through you to the Minister. I wonder if he could advise if all rental fees were paid up with regards to Misawa Homes.

MR. DOERN: We'll have to check on that point. To the best of our knowledge, they are.

MR. MINAKER: Was there a new lease negotiated after Misawa Homes took over full ownership of the . . . ?

MR. DOERN: No.

MR. MINAKER: Who sets the leases and determines the lengths of time and the value per square foot?

MR. DOERN: It's negotiated. But basically Public Works sets the amounts.

MR. MINAKER: Is there an attempt at time of negotiation to try and get a break even rate? In looking at the deficit of \$810,000, and the revenue of \$1.18 it looks like you wouldn't have to triple your rate necessarily, it would look like you'd maybe have to very nearly double it to break even. Again if you're looking at 50 cents a square foot, I don't know if that's the existing rate now or not, but you're looking at probably 90 cents a square foot rather than 50 cents.

MR. DOERN: The rate was set five years ago and we didn't build in any escalators on the base rent. Now we may imitate our private sector where you're now getting into all sorts of escalators on heat, light, etc., so we will be as I say taking a look at that because it might have been break even in the first year or two but then it started to get out of whack.

MR. MINAKER: Is there any escalation clause to cover municipal taxes?

MR. DOERN: Not in the leases.

MR. MINAKER: A normal lease, any business lease usually includes that if there's an increase in municipal taxes then your percentage would be transferred back to the renter. So none of them do contain that type of a clause.

MR. DOERN: My Deputy informs me that in the case of the CNR in that lease there is an escalator clause.

MR. MINAKER: That's in the new one, the \$8 million addition or in the existing . . .

MR. DOERN: In the original lease with the CN we did build that in.

MR. MINAKER: Okay.

MR. CHAIRMAN: This will be a suitable time to invoke our Rule 19(2) to interrupt the proceedings for Private Members' Hour. I'll return to the Chair at 8 p.m.

PRIVATE MEMBERS' HOUR
SECOND READING - PUBLIC BILLS
BILL NO. 31 - AN ACT TO AMEND THE OAKWOOD WAR MEMORIAL SCHOLARSHIP ACT

MR. SPEAKER: Order please. Private Members' Hour. First item is Bills. Bill No. 21, Bill No. 31. The Honourable Member for Arthur.

MR. WATT: Are you calling this bill now, Mr. Speaker?

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT presented Bill No. 31, an Act to amend The Oakwood War Memorial Scholarship Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, I think this bill is pretty well self-explanatory. I don't think it would take very much explanation. Actually it's an amendment to The Oakwood Memorial Scholarship Act. It merely changes the name "Oakwood Memorial Scholarship Act" to "Oak Lake Junior High School Act." The reason for this is because of the fact that the Oakwood School actually now is part of the Fort La Bosse School District and it simply gives the Oak Lake Junior High School now the right to use this Memorial Fund in respect of scholarships and for the scholarships to be issued through the Trust Fund, I believe it's a Royal Trust Fund.

I might say that the fund was originally established some time after the First World War, I think it was established by one Charles Pugh and there is an amount in the Royal Trust to the extent of about \$2,200 and the interest on this fund is used for a scholarship. Now you'll notice by the Act that it changes the grade from Grade 10 to Grade 9 since Grade 10 is not taught now in the Oak Lake School District which is part of the Fort La Bosse. It reduces it to Grade 9 and it simply gives the Trust Fund the right to issue scholarship cheques in the name of the Oak Lake Junior High School.

QUESTION put.

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

MR. D. JAMES WALDING (St. Vital): I beg to move, seconded by the Honourable Member for Wellington, that the debate be adjourned.

MOTION presented and carried.

RESOLUTION NO. 9

MR. SPEAKER: Resolution No. 9. The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, I beg to move, seconded by the Member for Assiniboia

WHEREAS Manitoba Agricultural Credit Corporation purchases land from farmers, AND WHEREAS Manitoba Agricultural Credit Corporation leases this land to qualifying farmers,

WHEREAS the lessee or lessor can terminate the lease at any time, giving due notice,

AND WHEREAS the leasing of land from Manitoba Agricultural Credit Corporation is subject to certain conditions,

WHEREAS the lessee has the option to buy this land at any time after five (5) years of leasing,

AND WHEREAS many farmers are understandably apprehensive about making improvements on rented land;

THEREFORE BE IT RESOLVED that the government consider the advisability of amending the Manitoba Agricultural Credit Corporation's land lease program to allow the farmer to purchase the land at any time after one (1) year of leasing;

AND BE IT FURTHER RESOLVED that this House recommend that any municipal taxes lost as a result of the land purchase activities of the Corporation in the municipality be made up by a grant in lieu of these taxes.

MOTION presented.

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

MR. G. JOHNSTON: Mr. Speaker, being one of the members of the Land Use

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(MR. G. JOHNSTON cont'd) Committee that has been touring the province for the past two years, I think most members would agree with me that while there are good points in the program there is an underlying fear among some farmers that the government is going a little too far in acquiring land that may be held in the Crown's name indefinitely or even forever as far as they view the government's activity in this regard.

Now it's true that many farmers who are in the program are satisfied. But others who are looking at the program, and also in it, still have that feeling that they would like to get ownership as soon as possible and this is a way in which that fear can be removed. It's a way that if a farmer who is in his first five-year lease, if he acquires any extra cash either through good crops or inheritance or however, that he can immediately buy the land he's leasing. This would do a number of things.

It would return capital to the province which could be used for other matters and it would show that the government really isn't interested in ownership as such, that they're interested truly in helping farmers to acquire their own land. The way some of the literature is worded explaining the program, it seems to me that there was a definite and a deliberate attempt to downplay ownership. I have some of the literature here which I will be quoting from. This would lead me to believe that there is an attempt here to change the philosophy of farm people who by and large - the ones I know - their real ambition is to own their land. If not all of it, to own a substantial part of it, and the philosophy could be affected by the propaganda or the explanations given by the government in selling the program.

I would like to quote from one of the leaflets that was made available to people who are interested in acquiring, either leasing or buying, land from the MACC. On the front page of this pamphlet I have in my hand, it says "Time to retire. Sell to MACC and you name our tenant. Manitoba Lease Program." Well, the effect of that is, the suggestion there is that it's forever going to be government land with a tenant on it. There is no encouragement in that statement to try to acquire your own land.

In the same pamphlet on the back page, and I quote: "A bit more about it. People who don't want their farming land anymore may sell it to the MACC. The MACC doesn't farm. It rents the land out to farmers who need it most." Again there's no encouragement there to say you can either rent or purchase although I will say that there is mention of purchase made. But the whole tone of the pamphlet is to encourage a farmer to rent.

Further along in the same paragraph, "MACC looks first at farms offered for sale by older farmers who want to quit farming. Before they buy MACC asks the owner, is there someone you know who should get first chance to rent the farm?" Not purchase. Not rent or purchase. Just rent. So I'm saying that the information that is being put out by MACC is slanted. It's not factual and it's not fair. It is encouraging a certain point of view.

Now we all know that after the first five years the farmer may opt to purchase at any time. So I'm talking about in the first five-year period that the change should be there so the farmer can purchase any time after the first year. When I mentioned this objection to the Minister of Agriculture at one of our hearings, I think it was at Thompson, he said, well we're not in the real estate business. Well that's a kind of an odd statement because they are in the real estate business. They are buying land all over the province; they're leasing it and after five years they're selling it. So that's not an argument at all to say that it causes too much book work to acquire the land and a year later have to sell it. The province is really hanging on to it for five years where there is no need to hang onto it. If the farmer has a good crop or inherits some money or earns some other income and he wants to purchase his land, let him buy it outright at the time.

Again in the latest informational sheet that was given to members, I believe a few weeks ago, I would like to quote out of it too how I feel that the information is slanted to encourage renting more than purchasing. On the first page in the heading "Program" on the fifth point it says, "Purchase of land on behalf of small farmers who need additional land and wish to lease from the corporation." Why don't they write it the way it is? Why don't they say, so they may lease from the Corporation and buy the land if

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(MR. G. JOHNSTON cont'd) possible. Not only talk lease all the time. Under the heading "Objectives to be Achieved" one of the objectives stated by the MACC is to defer purchase of a farm until such time when more equity capital can be made available without interfering with other needed capital including day-to-day operations. Well why don't they say, until such time as the farmer is able to purchase his land. The whole statement seems to be slanted towards encouraging the farmer to think first of leasing and then buying is secondary. In the Requirements Section, "Requirements to be met to qualify for leasing of MACC land" - there's hardly any mention at all made of purchase. It's all talking about how you qualify to lease. Why do they not make the same explanation apply to the purchase as well.

I say that the only real mention made in the whole three or four page pamphlet of purchasing is paragraph five on page two where it says: unless he has the option to buy the land at any time after the first five years of leasing, and if he does buy he will pay what it costs MACC to buy the land, including any rent subsidies or the then market value, whichever is higher. Now if inflation goes the way it is, after five years if the land is increased in value by 20 or 50 percent or whatever, it's going to be more difficult, more difficult than ever for the farmer to buy. So the program can be made so that the government doesn't lose any money on the deal, but to make a person wait five years whether he likes it or not, allow inflation to take place for the five years and find out that he can't afford to buy, is what is likely to happen.

So I make this suggestion that the government change the lease so that any time after one year the farmer be encouraged or be allowed to buy his land and this will, as I say, do several things. It'll bring capital back to the province that has been invested; it will show the farmers that the government is encouraging ownership which is the ideal of most farmers that I've talked to and for the government's political value they will show the farmers that they are really not interested in long term ownership of land.

MR. SPEAKER: Is it the pleasure of the House to adopt the motion?
Agreed? The Honourable Minister for Manitoba Public Insurance Corporation.

HON. BILLIE URUSKI (Minister for Manitoba Public Insurance Corporation) (St. George): Thank you, Mr. Speaker. In hearing the Honourable Member from Portage introduce his resolution I would almost get the impression that the rural banking institutions are just waiting, waiting for prospective farmers to come and borrow the money that they have to loan to the farmers who are looking for land. That's the impression that he leads one to believe, that the private lending institutions are just sitting there waiting for the farmer to come there and borrow the money and they will provide all capital that is required to purchase that land. What is the actual fact of the matter, Mr. Speaker?

The fact of the matter is that for decades now the public through its lending institutions, has in effect either supported through guarantees the private lending system or through its own created lending institutions, has provided capital to individuals to either purchase land or provide capital as guarantees to the private lending institutions for farmers to get into the farming enterprise.

Mr. Speaker, the resolution itself makes several comments with respect to farmers. "Many farmers are understandably apprehensive about making improvements on rented land." Mr. Speaker, how many farmers in this House either rent land publicly or privately? I'm sure there are a vast number of farmers here that either are renting their land out to someone else or leasing land from someone. I'm sure that if they are going to be, or wishing, or desiring to make improvements, they of course want to in their leasing arrangements, or any arrangements that they have in the rental agreement, that they will want to secure tenure as to protect their investment if they do make any improvements for over a longer period of time so that the investment of course accrues to their benefit and of course is amortized over a longer period of time. They will want to protect their investments.

The province has been in the leasing business for many years in the Crown land areas and in fact in the last number of years has encouraged and has developed

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(MR. URUSKI cont'd) programs to assist farmers in a modest way, depending on budgetary considerations, given the option for some farmers to have capital provided for land clearing and making improvements on land. Similarly in leasing arrangements in a private way I imagine farmers would make arrangements with their landlords if they wish to make improvements, or open some land or do whatever they want so that I don't believe that the member - if he is stating an apprehension he of course, I believe, must be making the case for all, all rented land, whether it be rented from the public or from anyone private. I imagine that's the case that he is making with respect to making improvements. He does not differentiate both public or private.

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

MR. G. JOHNSTON: I'd like to ask the Minister: what is the reason for the five-year lease in the first place?

MR. SPEAKER: The Honourable Minister.

MR. URUSKI: Mr. Speaker, it's like what is the reason for any length of time in the lease. I'm sure that probably consideration could be made however most of the - I want to give the honourable member my own particular case in point. Many young people who are desirous to come into farming today do not possess or are not able to amass the large amount of capital required to go into farming. If they are to buy equipment and all sorts of farming machinery which in many instances run in excess of \$50,000 to \$100,000 just for equipment alone and if you then capitalize the amount that would be required for the land there's almost no way that they can afford to make the interest payments that are required to maintain that land on an initial basis.

If the member doesn't realize the initial rental fee is subsidized to the tune of five percent of the value of the land. Therefore in today's monetary terms the land values or the cost of the land is at least half of what the interest rate would be, at least half of what the interest rate would be on the open market today. So that the individual, if he can amass some capital, he can put it into equipment which can make the land productive or to use in the production of agricultural products. If he can make a go of it, he can then make the savings and amass the capital over a number of years in order to be able to make a purchase on the land. The honourable member tried to make a case in his brief that this would bring a return of capital to the province. Well, Mr. Speaker, maybe in a very few cases this would be the case.

But what really has happened in effect to credit and lending? All the honourable member has to do is look at the loans outstanding by the provincial lending agency or the guarantees that the province has provided to many farmers in either consolidating debts and those kinds of matters where farmers have got into financial difficulty as a result of either not only borrowing for equipment and production but they have also borrowed capital to purchase land. All that has happened is that the province, or the Federal Government, has of course become a backup or a guarantor to the private lending institutions and/or to anyone else in the purchase of land which in many instances over the last number of years has had to come back to the province because farmers were not able to make the payments that they borrowed money on. They were not able to continue the payments not only on their equipment - and in addition to that they had the debt of having the land.

Mr. Speaker, the member in his resolution makes a statement to the effect that municipal taxes, "Be it further resolved that this House recommend that any municipal taxes lost as a result of the land purchase activities of the Corporation in the municipality be made up by a grant in lieu of these taxes." Mr. Speaker, I'm not aware - I've heard that statement being made but I am not aware of any instance where a municipality has lost or has not collected any funds or has not been able to collect any taxes with respect to any land being transferred to the Corporation. In fact the reverse is true. The province now guarantees that the taxes be paid through the lease arrangement to the municipality so that the municipality is guaranteed the amount of taxes that may be or have to be paid by having the land leased out to a farmer. So I don't believe that there is any municipality that stands to lose any moneys in respect to arrears in taxes or the like as a result of MACC having control of the land.

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(MR. URUSKI cont'd) Mr. Speaker, the program in effect now under the Land Lease Program really gives the farmers, the young farmers, the young people, an opportunity to make or attempt to make a livelihood in farm production. Mr. Speaker, this is a program that I believe that many young farmers have and are going to be taking advantage of, as well as many old people being able to now sell their land and have a retirement income on the basis of being able to sell it to the Crown and/or transfer it to their young people.

What is really happening in many of our rural areas? Many of our farmers are in ages in excess of 50 years. Many of them wish to retire. Some of them are not able to sell their properties. --(Interjection)-- In excess of 50, I said, Mr. Speaker - are not able to sell their properties. As a result they may have amassed land holdings on the marketplace in the order of \$70,000, \$80,000, \$100,000; there is virtually no young farmer or no young individual who would want to come out and start farming and be able to afford to amass \$100,000 or in excess of \$100,000 to purchase that land.

So what really happens? The Liberal Party has had resolutions before with respect to land being amassed by non-resident farmers, corporations within the province of businessmen that are not farmers. And what really happens? The businessmen get together; they amass \$100,000 worth of capital and they lease it out to some young farmer, or any foreign buyers who can amass huge amounts of capital and they invest it. As a result what happens? It's either owned by non-owner-operator local business community or the land is owned by interests outside of the country. So the very process that the Honourable Member from Portage is objecting to about the Crown or the public owning the land is virtually happening every day of the year in the Province of Manitoba. Mr. Speaker, the very thing that he is objecting to the public of Manitoba doing, he will accept the business community, the private business community in this province, or across the way, to amass the capital and lease it back.

Mr. Speaker, every time he raises a resolution about foreign capital and being opposed to foreign capital coming into the country and buying up land - in this resolution he is saying it's all right for our business community in the Province of Manitoba to buy that land and lease it out to any young farmer who wishes to come --(Interjection)-- Well that is exactly what that resolution is saying, Mr. Speaker. That is the very purport of the resolution that he is making. He tries to mask it in saying, well look, don't hold on to it for five years; hold on to it for only one year. But it's all right, Mr. Speaker, when a young fellow wants to farm and can't amass capital that he can go to four or five private businessmen to put up the capital and then go and lease the land from them. It's all right to lease the land from them but it's not all right to lease it from the public of Manitoba.

Mr. Speaker, if the honourable member wants to give any young person or young individual the right to farm and the right to purchase I would hope that he would also support a type of an agreement in any private agreement for lease that anyone leasing the land would have the right to purchase it after one year so that the private sector would also not want to control land for any long period of time of non-owner-operator land holdings.

MR. SPEAKER: Five minutes.

MR. URUSKI: Mr. Speaker, I am sure that the one-year term can be considered at any time. But what really does it accomplish, Mr. Speaker? It really doesn't accomplish a thing because if that individual can amass or is able to amass \$100,000 or in excess of \$100,000 to purchase that land in one year's time, he can surely get it on the day that he is going to buy that land. There is really no basic difference of the one-year time limit.

If the private lending institutions are prepared to lend it after one year, then surely they should be prepared to lend it on the day that he wants to get into the farming operation. Surely his credit rating does not change in one year when he has already had to borrow in excess of \$50,000 to \$100,000 in purchasing equipment. Surely there is no great difference in the credit rating of a farmer. But the fact of the matter is, Mr. Speaker, if the member is serious, as he has suggested in other resolutions about non-owner-operated land ownership, and being opposed to that type of land sales then

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(MR. URUSKI cont'd) surely he should be opposed to the very same thing happening in the province with non-owner-operator land holdings.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Thank you, Mr. Speaker. The resolution before us presented by the Honourable Member from Portage indicates the difficulty that the honourable members of the Liberal Party have had in approaching this matter. Because, Mr. Speaker, I say that not unkindly to them, they have difficulty in approaching the matter from a fundamental and philosophical position. Mr. Speaker, I just noted with interest as he read from the same document that I will read from, that he was kind enough to pass over, and he took exception, Mr. Speaker, for what he thought was the wrong slant on the advertising with respect to the MACC Program.

I think I'm not misquoting the Honourable Member from Portage. He took exception to the fact that all the literature seemed to indicate the leasing aspects of it, the renting aspects of it, and he thought that somehow that was misleading. Well, Mr. Speaker, I don't think it's misleading at all. I think it's very accurate, very true and there's a very specific reason why you have to look with the aid of a Philadelphia lawyer on Page 18 or 19 of your lease in the finest of small print, where the farmer has the option to buy it back after five years. --(Interjections)-- Buy it. Buy it. Mr. Speaker, I say it's deliberate. I think the Honourable Member from Portage should have been further reinforced in this position that I am putting to him right now, Mr. Speaker, by the fact that the Minister in rising to his feet to talk in direct response to those remarks made by the Member for Portage, who correctly identified a concern among farmers of Manitoba about the availability of buying that land, of ever returning that land to private ownership. This resolution he believes will take away some of that concern.

Really, Mr. Speaker, that's what this whole resolution deals about. It draws what the Member for Portage believes is a concern on the part of the farming community in Manitoba. There's a "fear", I believe he used the word, about whether or not the return of this land to private ownership is clearly enough spelled out or is made easy enough for them. He suggests that it should be done within the year. If the young farmer or the middle aged farmer or whatever has a good crop year or if he comes into some money through inheritance or what have you, that he should be able to buy that land back.

But, Mr. Speaker, the Honourable Minister of Autopac's remarks with respect to this resolution and with respect to the remarks just made by the Member for Portage didn't deal with the resolution at all, didn't deal with the resolution at all. He just simply stood up and gave us a pretty fair outline again about some of the advantages of leasing land. He gave us an outline of the difficulties that a young farmer has in amassing the necessary capital to get on to farming. He gave us many reasons why the lease is preferable to the private ownership of land. So I can only tell the Honourable Member for Portage that he demonstrated again that there is not an incorrect slant or bias in the selling of the lease program as presented by the members opposite, by the members of the government.

They are rigidly adhering to the advertising code, rigidly adhering to the advertising code of this nation by saying precisely what they intend to do. That is to encourage Manitoba farmers all to become tenants, tenants of the state, tenants of the state.

Mr. Speaker, there is room for another argument, you know the greater argument, as to the end all product of that kind of a system. We would of course have to go to those jurisdictions that have gone the full route and where you only have tenant farmers. We have to examine how well their agriculture is succeeding as compared to ours. I'm referring to where it's become law, you know, a matter of state law. I'm referring to the kind of production that we find coming out of the USSR all the time that we have to continually feed in between.

So, Mr. Speaker, the Conservative Party has no difficulty with this resolution. The Conservative Party does not have any difficulty with this resolution. We believe in

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(MR. ENNS cont'd) the private ownership of land, Mr. Speaker, as being the cornerstone within our agriculture policy. We believe that. Now no matter what anomalies you can find in holding that belief, how many of us lease land from our neighbours or from the Crown or would sign leases with somebody else and in a sense be tenants - that doesn't change the argument though that I believe that the agricultural economy of North America is as sound as it is, is as productive as it is, because essentially it is in private hands. That's a statement that I make and I hold up for criticism by anybody that wants to take up that challenge in terms of the productive capacity of the agricultural economies of those jurisdictions, of those countries that have opted for your hoped-for eventual solution to social problems that we have in rural Manitoba, to social problems that we have with respect to keeping young farmers on the land; to social problems that our small rural communities have with respect to dwindling populations.

But, Mr. Speaker, I am now speaking solely as an agriculturalist, as maintaining a capacity to produce food. Mr. Speaker, there really is nobody that foolish on the other side that would suggest, that would suggest to me that the North American agricultural machine out produces any other machine yet devised by any farm people, any farm people anywhere around this globe. Indeed, Mr. Speaker, it is that agriculture machine that we have put together on this continent that is the only agricultural economy that shoulders time after time after time and again the responsibilities around the world, to the third world, to the hungry, to the starving. When was the last time that you saw a headline, Mr. Speaker, that the USSR sent 600 million bushels of wheat to Bangladesh or Pakistan? They may have, as the Member for Morris says, will do that on occasion when they bought it from us first, and for political reasons reduce the loaves of bread that are available to the consuming public in the USSR and for political reasons ship off a few tons of wheat to Bangladesh as an aid program, which is done quite regularly with the way they play that kind of a game. But, Mr. Speaker, that's not the argument of the resolution either and I don't want to get sidetracked.

The argument is simply this: that we either believe in the private ownership of land - that doesn't mean every acre of land; that doesn't mean the inter-leasing of land that goes on between farmers and what have you; but as a broad principle we believe that our agricultural economy stands a better chance of competing for the markets in the world, stands a better chance of producing as it has to produce for the ever growing population of this world, if as its cornerstone it remains in the private sector. Now, Mr. Speaker, the honourable members opposite simply don't believe that.

They are prepared however to acknowledge that this feeling for private ownership of farm land is pretty deep seated in rural Manitoba and they have so drafted their program, their lease program, to acknowledge that and to leave some elbow room, leave a safety valve in there so that that person that wants to be in a position to buy that land back at least tacitly has it written into his agreement that it's made possible.

Well, Mr. Speaker, the difference is this though. It again comes down to what you initially believe. You see knowing that they are not concerned, in fact they believe it should be in public hands. I'm not going to make ogres out of them, Sir, that they are going to bring in state farms tomorrow but it's an essential difference. It's of essential importance that we have to understand where they - on the other hand to the extent that funds are available to them they certainly don't mind buying thousands and thousands of Manitoba farmers who've come to them offering to sell their land. If 99 percent of the farmers in the next five years would offer to sell their land to the government, nobody on the opposite side would object to it. Nobody would object to it. So, Mr. Speaker, what I'm trying to demonstrate is they are not really concerned, they're not concerned at all whether or not the entire farm land comes under state ownership. Now that's fair game. That's their political philosophy.

You know I just believe they should not lead astray my Liberal friends to the extent that they are, who still have some difficulty understanding that that is the intention and that that is the belief of the present government. They tend to make it a little easier for the government by introducing a resolution of this kind. --(Interjection)--

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(MR. ENNS cont'd) Well, Mr. Speaker, that's fine, that's fine. I'll take that argument any time. It's my job if I believe in something to believe in it. How often, how often does the government have to take many measures that aren't always popular or accepted. How about trying the School Consolidation Program of 15 or 20 years ago. It was certainly not one that won overnight recognition by the communities and particularly the rural communities of Manitoba. That was a program that had to be sold vigorously. That was a program that had to be in some cases, you know, left in abeyance because of opposition to it. That was a program where a tremendous amount of effort had to be done because you believe in the rightness of that cause, you believe in the rightness of that cause.

Now, Mr. Speaker, the Conservative Party believes in the rightness of the cause that predominantly, the major portion of the prime agricultural land should be left in the private hands of the farmers of this country, those farmers who have demonstrated beyond all shadow of doubt their capacity of producing food in that system. Whereas in neighbouring jurisdictions that tenant, tenant and tenant's son - it may not happen in the first generation, may not happen in the first generation - but after you've only been a tenant all your life and you can only remember your grandfather having been a tenant you do not treat that land the same way. You do not have the respect for that land the same way. You do not husband that great resource in the same way. That's what this agricultural debate is all about.

Now you have placed your political philosophy ahead of that concern; you have concerned yourself more about what in your mind is of a peremptory and prior concern, the fact that under this system you have a certain amount of elitism taking place. You have capital gains accruing to small groups of people from time to time which you think is unfair because that makes uneven pieces in the pie that you have divided for all Manitobans to eventually eat from. So if somebody who bought a land or if I inherited 1,000 acres from my father and in the ensuing 20 or 30 years it all of a sudden becomes very valuable and I can pass it on to my children, we've already passed legislation to make sure that my children will only get so much of it through inheritance taxes. It is in opposition to everything that you believe in to allow firstly, the kind of capital gains that's available to the farming community under the private system; secondly, looking at farming and farm lands as the greatest natural resource that we have, the greatest natural resource that you have. You cannot belie your own statements that you've made to yourselves and to your own consciences and indeed in convention that says that the means of production should lie in the hands of the people through the vehicle of the state, that public ownership of all natural resources is of prior importance in terms of your approach to the politics of the day.

Well, Mr. Speaker, that's fair game. That's what you believe in and that's why I do not criticize you for advertising your land lease program the way you do. Mr. Speaker, I don't think for a minute, I don't think for a minute that you would be concerned for instance if a succeeding government came in, maybe even a Conservative Government, or maybe the Member for Arthur or the Member for Rock Lake as Minister of Agriculture, and he all of a sudden finds out, my gosh, I'm the owner of 250,000 acres of prime agricultural land, and he kind of likes that idea. Just like the present Minister likes the idea of being the biggest cattle baron in the Province of Manitoba. So he says, I'm going to change that lease. I'm not going to let any farmers buy back that land. I've got it now; I want to hold onto it and I can better direct my agricultural policies if I have that extra measure of control. You wouldn't object to that. Because you're not really concerned. --(Interjection)-- That's right. Because it is in keeping with what you fundamentally believe. It's in keeping with what you fundamentally believe. So, Mr. Speaker, while there is a temptation on the part of the Conservative Party to certainly acknowledge in a sense that the resolution before us would appear under the present system that they're operating to make it easier for the farmer to get that land back into private ownership, and that you know on the surface is attractive to us, in a sense that's certainly moving in the right direction, but, Mr. Speaker, we have great difficulty with approaching this resolution in any way because we don't like the program to begin with. If you don't like something, even an amended version of it is still distasteful to you.

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(MR. ENNS cont'd) So I cannot support the resolution. I don't believe other members of my party will be able to support the resolution because we are in fundamental opposition to the program and its eventual goals. The goals are: to induce Manitoba farmers to become tenant farmers. The goals are: to repatriate, I suppose, to some extent, that land that in their political ideology should have never been let out or should have never been given to the private person in the first place. Even though, as the Honourable Member from Inkster would be the first one to indicate, that those who now own that sacred right of private ownership own it only through sufferance of the people to begin with, through Torrence titles. But nonetheless, whatever that difference is, Mr. Speaker, it's the difference between producing consistently 30 bushels of wheat or 15; it's the difference of consistently producing surplus agricultural products or consistently producing a famine, a dearth of agricultural products. Sir, for that reason the Conservative Party will maintain its position in its opposition to the land lease program.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I think that we've just heard from the Member for Lakeside of the significant fears that they have with respect to any public ownership of land and the length to which they will go to try to assuage those fears, that rather than see any public ownership of land, because of the fear as to what will occur if you have any public ownership of land, they would carry that ideology and their beliefs, which are acknowledged to be beliefs in private ownership, to such lengths that they will not permit public ownership of land even if it's proved beyond any shadow of a doubt that there is a desire for it, that there is a need for it and that there is a useful purpose in having it.

You know there was an article in yesterday's paper by Richard Purser, who dealt with the problem of CFI and he said CFI was an ideological problem, that the reason that the Conservative Party got into difficulty with CFI was not because the idea was wrong but because they were so ideologically doctrinally hide-bound to the notion that under no circumstances should there be public ownership or public operation of a complex of this kind that they were willing to abandon every principle upon which private enterprise is based in order to publicly finance a private entrepreneur. They got into trouble through the very hide-bound doctrine, rigid, ideological concerns which have now been demonstrated by the Member for Lakeside as being his argument, to want to put blinkers on. He won't even look at the resolution. They are so fundamentally opposed to it that they will not look at it, will not try to discuss it, will not have anything to do with it because it involves public ownership of land and the honourable member has said that the proven method of producing abundance in this world has been through the land holding system that has occurred in North America which has provided the world with abundance.

Now there are many historical reasons, and by the way I am not seriously challenging the notion that a private owner, entrepreneur, of a piece of farm land, who has his security of tenure before him, who has the means of maintaining that investment will be a very good cultivator, possibly the best. I've said that in this House on numerous occasions, that if you are going to have a man continue to have an interest in his land and in the improvement and good cultivation and not to mine it or to hygrade it, just as you can hygrade a mine, you have to have him believe that his efforts will be rewarding to him for an indefinite future period of time. I believe that that is embodied in the tenure system that is provided by the lease that is now offered by the public to a farmer under the land lease program.

But the honourable member says that any movement towards the public having land available on those terms is so dangerous, is so desirable from his point of view, because now it is an optional program, that eventually the farmers will see such a wonderful thing in it that they will want the public to own all the land. That's the only basis upon which you could make that argument because he is saying that the farmers are going to find this system so wonderful that they are going to abandon private ownership of land and they are going to voluntarily, Mr. Speaker, voluntarily put themselves into a tenant relationship with the state.

Now, Mr. Speaker, I don't think that that will happen but I want to argue from the worst possible terms. Because my honourable friend has a weak argument and in

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(MR. GREEN cont'd). . . . order to accommodate him I will have to take the worst possible position and try to deal with it. First of all, Mr. Speaker, I do not think that there is a philosopher, a logician, a professor, anyone in the world who can ultimately argue that 30 people can own the earth and for the rest get off, that that cannot be argued by anybody seriously, that ultimate private ownership in land is a physical and logic impossibility, that nobody can say that something is there, that a piece of the world is there to the exclusion of all others. Because, Mr. Speaker, if they can say a piece of the world is there to the exclusion of all others, they can say a bigger piece of the world is there to the exclusion of all others and ultimately they could say that all the world is there to the exclusion of all others. Therefore this title that we call private ownership is, and the honourable member has to acknowledge it and does acknowledge it, it is a system of tenure that we agree somebody will have as long as the public is willing to let them have it and that when the public says "no" it comes back into the public's hands for use as general purposes. The public in its wisdom, and I do believe it has been a wisdom, has said that we want to give him the Torrence title which means that he will be able to have it to the exclusion of all others for a period of time which is indefinite in its future contemplation and which guarantees him the enhanced value of land should the public ever want it. That is all that he has. So I say that ultimately the notion that they are trying to sell is just a physical and a legal impossibility.

Secondly, Mr. Speaker, the honourable member says that only one system has proved to provide abundance. Now this becomes a harder position, Mr. Speaker, because the honourable member will argue that the Czars threw out the kulaks or the Bolsheviks threw out the kulaks and turned the lands over to the peasants and then took it away from the peasants and built the . . . and the collective farms and they have great problems. And they do, that is true. I acknowledge without a doubt that the Soviet Union has not been able to produce through collective farming what private farmers have been able to produce.

But the honourable member stretches that and says that that's true, that every privately owned farm is better than a publicly owned farm. Well I ask the honourable member to go to Israel and see whether the collective farms that are run by the Israelis produce less than the privately owned farms that are run by the Arabs who are living alongside them. If that's too far, Mr. Speaker, if that's too far to go they go to the Canadian citizens in the Province of Manitoba who farm their land collectively, and I'm not putting it out as a model, I'm just putting it out to deal with the honourable - relatives of my honourable friend, relatives of myself ultimately because we are all brothers - because the Hutterite Colonies are very good farmers, they are very good farmers, Mr. Speaker. Well I am told, Mr. Speaker, that they are such good farmers that the others are very worried that they show them up.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Would he tell the House whether or not the Hutterite Colonies are run and directed and operated by a central government here in Manitoba or whether the management of those farms are carried on by the people who live right on the farm themselves.

MR. GREEN: Mr. Speaker, I say to the honourable member that that is the key. That the people who operate the farms live there themselves and operate it themselves. And the fact that they do not own individual titles is not crucial to whether they are the best farmers. The program that makes them good farmers is that they are there themselves and that they are operating the land themselves and they are not being directed by a central government. I concede that and I agree with that, Mr. Speaker. And the honourable member has said . . .

MR. JORGENSEN: Will the Minister then not agree that that is not the case, that they are run by the central government and not the people who live on the farms themselves.

MR. GREEN: Mr. Speaker, they are operated by the brethren of the colony who are free to leave when they wish, who live there - and, Mr. Speaker, as I am advised, and if I am wrong on this then it indeed is a wrong assumption for which I can

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(MR. GREEN cont'd) be corrected, that they farm very well, that they farm very well. --(Interjection)-- Well, Mr. Speaker, the Honourable Member from Rock Lake is shaking his head. I am told that they farm very well and I wish to complete maybe two minutes of remarks and then you'll catch me next time. There is something that I want to say in this connection, Mr. Speaker, that they farm very well. The point that the honourable member has made, the Member for Morris, is the same point that he made in Committee and it came rather casually. The Honourable Member for Morris said it doesn't matter who owns the land. I will give him his words back in Committee, that the real important thing is that the man has a feeling for it and farms it himself.

Now, Mr. Speaker, just give me one minute. The fact is that the danger has been raised that the land is going to be bought by foreigners or the land is going to be bought by absentee owners, that there is going to be a greater and greater amassing of big sections of land where the man who lives there will not be the owner and farmer of the land, but that it will be held by absentee owners, either Canadian or American. There is only one way in which you can guarantee that that will not happen and that is for the public to protect in ownership a certain amount of land in the Province of Manitoba. There is no other way.

MR. SPEAKER: The Honourable Minister will have 10 minutes the next time. I am now leaving the Chair and the House will reconvene at 8:00 p.m. with the Deputy Speaker in the Chair in Committee of Supply.