

TIME: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Honourable Peter Fox (Kildonan): Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 31 students of Grade 7 standing of the Treherne Elementary School. These students are under the direction of Mrs. Gibson. This school is from the constituency of the Honourable Member for Rock Lake. On behalf of the honourable members we 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;

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON: Mr. Speaker, I direct a question to the Minister of Agriculture, and I would like to ask him if any amendments have been drafted pertaining to Bill 56?

MR. SPEAKER: The Honourable Minister of Agriculture.

HONOURABLE SAMUEL USKIW, (Lac du Bonnet): Well, Mr. Speaker, I had indicated to members opposite that we would be looking forward to constructive suggestions, and that we are prepared to make amendments in the positive sense, and to that extent, that still is quite an open question. Whether or not we have any prepared at this point in time is something that is yet to be announced.

MR. EINARSON: Well, Mr. Speaker, because amendments have been drafted and distributed publicly on other bills this is the reason I pose the question to the Minister of Agriculture, and while I am fully aware of his comments in his explanatory notes on Bill 56, I pose that question. I am merely asking him, and while he didn't give me the answer, I am asking him if any amendments have been drafted to Bill 56 that will be for our perusal when we go into Committee?

MR. USKIW: Well, Mr. Speaker, I think the normal process of the House shall apply with respect to Bill 56. It's my understanding that after Committee, and if there are amendments agreed upon in Committee, that they are then distributed in the House, not before.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE: Mr. Speaker, I have a question for the Honourable the Attorney-General. I wonder if we, in the Opposition benches can be favoured with those amendments on Bill 61 which are already in the hands of lawyers in fact, as of yesterday noon around the city — we still don't have them.

MR. SPEAKER: The Honourable the Attorney-General.

HONOURABLE HOWARD PAWLEY, (Selkirk): Mr. Speaker, the only lawyers that I am aware of that have possession of amendments are those lawyers that are directly on staff or have been requested to assist our staff lawyers pertaining to Bill 61. I am meeting this afternoon to peruse the amendments. I have not seen them yet nor have I had them in my hands except to have some general nature of same explained to me.

MR. McKENZIE: Mr. Speaker, may I again point out to the Attorney-General, we've seen the amendments with a lawyer that is not on his staff, and we wonder, and are most concerned how they are public information and we still don't have them.

MR. PAWLEY: Mr. Speaker, then I think that the honourable member, in courtesy, should indicate what lawyer he saw the amendments in the hands of, so that I can properly ascertain as to how that lawyer happened to have the amendments in his hands. It's without my knowledge and I think the honourable member, since he has raised the subject, should then in courtesy advise me under what circumstances, in the hands of what lawyer he saw the amendments in.

MR. McKENZIE: Well, Mr. Speaker, may I suggest to the Attorney-General that we have private Sources of information the same as he has. —(In terjections)—

MR. SPEAKER: Order please. We are now entering into a debate. The Honourable Member for La Verendrye.

MR. BOB BANMAN: Thank you, Mr. Speaker. I direct my question to the Minister of Labour and would ask him whether school divisions, when doing maintenance to the physical structures that they have to maintain, under the new regulations passed with regard to the Buildings and Mobile Homes Act will be forced to submit an application, in other words a permit, to have any work done even if it's only very minor about for \$10.00 or \$12.00.

MR. SPEAKER: The Honourable Minister of Labour.

HONOURABLE RUSSELL PAULLEY (Transcona): I don't believe that that is the case, Mr. Speaker, and if my honourable friend knows of any incidents where somebody is required a permit to

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do a 12 buck job, I would like to know about it because, as far as I am personally concerned, I would consider that bordering on the ridiculous.

MR. BANMAN: Well, I would just like to draw it to the Minister's attention, in the regulations which were published in the Gazette, that the valuation of the permit is as outlined in the regulation that the valuation from 0 to \$200.00 there is a \$2.00 fee for a permit and I understand that this is indeed what is responsible.

MR. SPEAR: Question please.

MR. PAULLEY: I'll take that as notice.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. STERLING R. LYON (Souris-Killarney): Mr. Speaker, a question to the First Minister. I wonder if he is in a position to provide some information about Manitoba Hydro and estimates of demand billing on apartment blocks.

MR. SPEAKER: The Honourable First Minister.

HONOURABLE EDWARD SCHREYER, Premier (Rossmere): Yes, Mr. Speaker, I have the information now. I can forward it to the Honourable Leader of the Opposition if he wishes to pursue it by verbal question subsequently. That will be one way to handle it. I will forward it to him this afternoon.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Mr. Speaker, I have a question for the Minister of Consumer Affairs. Going back to the question of the increase in milk prices, there is a report today which indicates that the milk processors will be asking for a further increases to cover the cost they say of metrification. Is his department looking into these particular claims and has he done any assessment as to whether there will be additional costs as a consequence of metrification of milk packaging?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HONOURABLE RENE TOUPIN (Springfield): No, Mr. Speaker, the Department of Consumer and Corporate Affairs is not investigating the matter. If the producers, retailers, anyone wants an increase in that basic commodity, they will have to justify the increased cost to the Milk Control Board.

MR. AXWORTHY: Mr. Speaker, I understand that they have to go before the Milk Board on terms of the price of volumes of milk but in terms of the actual capital costs that are engaged in metrification, would the Minister undertake to meet with the milk producers and suppliers to see if there is going to be any additional cost that would be borne and if there is any way of alleviating that so that the milk increases will not continue? This will be the third one in the last twelve months.

MR. TOUPIN: Mr. Speaker, my previous answer stands. I have no intention of duplicating what is now being had through the Milk Control Board.

MR. AXWORTHY: Well, a supplementary, Mr. Speaker. Can the Minister assure me, or would he make a request of the MILK Milk Control Board that they would examine this particular issue of the additional cost as a result of a policy change in the way in which milk is to be packaged and cartoned?

MR. TOUPIN: Mr. Speaker, I don't have to do that. I have confidence in the Milk Control Board that they will consider that.

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ORDERS OF THE DAY

SECOND READINGS

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I wonder if you would kindly call for second reading Bill No. 82 followed by Bill No. 84.

BILL (NO. 82) — THE STATUTE LAW AMENDMENT ACT (1977).

MR. SPEAKER: Thank you. Bill No. 82. The Honourable Attorney-General.

MR. PAWLEY presented Bill No. 82, The Statute Law Amendment Act (1977), for second reading.
MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, all members in the House have received a summary of explanatory notes, pertaining to the Statute Law Amendment Bill before them. I believe, and I would think that it would not be very profitable for me to simply read those notes. I think all members have them and I would leave them in order to shorten time and since members have the explanatory notes, I would simply ask that that be entered into Hansard and let it go at that.

MEMORANDUM RE STATUTE LAW AMENDMENT BILL

The various amendments contained in the Statute Law Amendment Bill deal with a great variety of subjects. The paragraphs marked with the symbol @ indicate provisions that make some substantive or semi-substantive change in the statutes.

1. This removes a provision in The Attorney-General's Act which seems to indicate

that the Attorney-General will administer the correctional institutions of the province. These institutions are no longer administered through the Attorney-General.

2. These amendments, except that contained in subsection (6), deal with transfer of the administration of the Cemeteries Act to The Public Utilities Board. Subsection 2(6) removes a reference to the commencement date of a requirement for a periodic review of perpetual care fund accounts. @

3. This amendment authorizes certificates, etc., issued under The Change of Name Act to have a printed signature placed thereon.

4. This corrects a typographical error. @

5. This permits the appointment of more than five persons to the Co-operative Association Loans and Loans Guarantee Board.

6. Subsections 6(1), (8) and (9) clarify the application of the new Corporations Act to government agencies, municipalities, etc., and clarifies the application of 2 parts of the Act.

The balance of Section 6 make corrections of a typographical or technical nature.

7. These amendments make technical and typographical corrections.

8(1) and (2). These clarify where court reporters and special examiners are entitled to retain fees.

8(3). Makes a correction by replacing a phrase which was omitted on the revision of statutes in 1970.

9. This authorizes other judges to swear in Surrogate Court judges when they are appointed.

10. This changes the statutory designation of the Minister administering The Crown Lands Act. @

11. This authorizes a person having custody of records of a court to certify copies of records of a court when the court has no seal.

12. Typographical correction.

13. This corrects a reference to the director under The Fatality Inquiries Act.

14(1) and (3). These remove references to "suburban municipalities" which have disappeared since the enactment of The City of Winnipeg Act. @

14(2). This provides a penalty for an offence under any provision of The Fires Prevention Act. Previously, the provisions only provided a penalty for an offence under one part of the Act.

15. These amendments change the administration of The Prearranged Funeral Services Act from a Minister of the Crown to the Public Utilities Board.

16. This removes a reference to suburban municipalities.

17(1) and (2). These change the name of The Traffic Board to The Highway Traffic Board. @

17(3). This extends the exemption from personal liability to staff of The Highway Traffic Board.

17(4). Corrects a reference to when a particular provision becomes operative.

18. This repeals an unproclaimed provision which has been superseded by a later enactment.

19. This changes the statutory designation of the Minister administering The Industrial Minerals Drilling Act.

20(a). This removes a reference to a suburban municipality.

20(b). This provides a definition of "registered mail" and "certified mail."

21. These amendments extend the application of The Reciprocal Enforcement of Judgments Act to the registration of awards and orders made by boards, commissions, etc., in respect of disputes on wages, vacation benefits, etc.

22. This removes a section of The Law of Property Act which should have been repealed last year on the enactment of The Retirement Plan Beneficiaries Act. @

23. These amendments authorize the issue of a special club licence under The Liquor Control Act to municipally owned curling clubs. @

24(1). This provides an exemption for registered psychologists practising psychology from the provisions of The Medical Act respecting practice of medicine.

24(2). This will allow the College of Physicians and Surgeons to commence the process of collecting fees that are not paid by doctors after 2 months default rather than after 6 months default. @

25(1) and (2). These remove the necessity of obtaining an Order in Council when the court is appointing a committee to replace the Public Trustee as committee.

25(3). This clarifies some confusion which was caused by the changing of "administrator" to "public trustee".

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26. These amendments remove references to suburban municipalities.
27. These make changes required by change of references from the old Companies Act to references to the new Corporations Act.
- 28(1). This removes local government districts from the definition of "northern Manitoba" in The Northern Manitoba Act.
- 28(2). This clarifies the application of The Planning Act to northern Manitoba communities. @
- 29(1). This authorizes the establishe establishment and appointment of an Advisory Committee on tree protection. @
- 29(2) and (3). These authorize regulations requiring the licensing of arborists. @
- 30(1). This authorizes the Provincial Government to enter agreements for policing by RCMP in communities with a population of up to 5,000. Previously this was restricted to communities under 1,500.
- 30(2). This corrects a typographical error. @
31. This authorizes the Queen's Printer to publish notices in the Manitoba Gazette if payment therefor has been arranged. The Act now requires payment to be made before publication.
- 32(1), (2) and (3). These remove references to suburban municipalities.
- 32(4) This corrects references to provisions in The Municipal Act.
33. This corrects a technical typographical error.
34. This removes reference to The City of St. Boniface and to Metropolitan Corporation of Greater Winnipeg.
35. This removes a provision which authorizes the Minister of Education to make a report on private schools upon the request of the board of a private school. @
36. This authorizes the appointment of a chief sheriff for the province and provides for his duties.
37. These remove references to suburban municipalities and The City of St. Boniface, etc.
38. This removes a reference to The Metropolitan of Greater Winnipeg.
39. This corrects a reference to the Executive Director of Welfare in the Department of Health and Social Development.
40. This removes a reference to the fee schedule in The Highway Traffic Act which has been repealed.
- 41(a). This makes a technical correction.
- 41(b). This changes the term of office of replacement appointees on the board of the Trading Corporation.
42. This changes the statutory designation of the Minister administering The University Grants Commission Act. @
43. This gives the Director of Vital Statistics authority to change the spelling of names on birth and marriage registrations. He will only have the authority upon application of the persons concerned.
44. Typographical error correction. @
45. This changes the method of establishment and selection of medical review panels under The Workers Compensation Act. It also authorizes the appointment of a duly qualified medical practitioner to assist claimants under that Act.
46. This repeals some unproclaimed provisions in the Revised Statutes dealing with the increase in the county court jurisdiction. These provisions have been superseded by later enactments.
47. This changes the name of a corporation which deals with a fund for garment manufacturing employees.
48. This repeals an unproclaimed provision that has been superseded by a later enactment.
- 49(1). This limits the tax exemption for residences owned by the Health Sciences Centre.
- 49(2). This changes the term of office of members of the Health Sciences Centre board.
50. This corrects typographical errors.
51. These repeal special Acts of incorporation with respect to corporations which have now either been wound-up or have been converted to federal corporations.

EXPLANATION OF PORTION OF STATUTE LAW AMENDMENT BILL(1977) REPEALING PRIVATE ACTS OF 12 CORPORATIONS

Assiniboia Jockey Club — corporation dissolved under Corporations Act at request of solicitor of the company — inactive since 1965.

Assiniboia Turf Club — corporation dissolved under Corporations Act at request of solicitor of the company — inactive since 1965.

Banner Country Racing Club — corporation dissolved under Companies Act at request of secretary of the company — inactive since 1970.

Central Trust Company of Canada — corporation merged into another trust company on January 1, 1974, and is now carrying on its business under the name of Central and Eastern Trust Company which is separately qualified under The Corporations Act.

Club de Golf St. Malo — corporation never became operative — dissolved under Companies Act on March 1, 1973, as it never filed annual returns since incorporation in 1970.

Dufferin Racing Association — corporation dissolved under The Companies Act on March 1, 1973, as it failed to file annual returns since 1970. A 1969 Criminal Code amendment permitted other than special act corporations to conduct horse races, and incorporation by special act was no longer necessary.

Fidelity Trust Company — corporation became a federal corporation on October 16, 1972, and thereby ceased to exist as a Manitoba corporation — continues to be qualified as a federal company, and its private acts are no longer required.

Masonic Temple Association of Winnipeg — a new corporation was created to hold title to the new temple for this organization, and the old building in Winnipeg was sold — this corporation no longer required, and corporation dissolved under The Companies Act on March 1, 1973.

Montreal Trust Mortgage Corporation — corporation no longer carrying on business in Manitoba and has formally requested that its authority to carry on business here be cancelled. Registration of the corporation was cancelled under Companies Act on November 30, 1973. .

Southern Manitoba Trust Company — corporation in liquidation for 40 years — liquidator finally confirmed that liquidation now completed and corporation may be cancelled. Corporation dissolved under Companies Act on March 7, 1974.

Transcona Curling Club — assets of corporation taken over by Transcona Country Club and it is no longer necessary to retain the Act of Transcona Curling Club — corporation dissolved under Companies Act on March 6, 1975.

Winnipeg River Railway Company — corporation acquired by Manitoba Hydro when they took over the Winnipeg Electric Company many years ago. Manitoba Hydro now advises that it is in order to repeal this Act as the corporation is not carrying on any business as a separate legal entity.

QUESTION put.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON: I move, seconded by the Honourable Member for Pembina, that debate be adjourned.

MOTION presented and carried.

BILL (NO. 84) — THE STATUTE LAW AMENDMENT (TAXATION) ACT (1977)(2)

HONOURABLE SAUL A. MILLER (Seven Oaks) presented Bill (No. 84), The Statute Law Amendment (Taxation) Act (1977)(2) for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. MILLER: Mr. Speaker, this is a bill that contains provisions necessary to implement the income tax changes and the tax credit changes as well as the succession duty and gift tax changes which were proposed in the recent Manitoba Budget.

The bill deals generally with matters that have been the subject of considerable debate already in the House. In addition there are some items of a housekeeping nature. The amendments of consequence, Mr. Speaker, required to implement the income tax and the tax credit measures, deal with the rate conversion required to synchronize the federal tax point transfer. The legislative provisions embody a two percent across-the-board reduction in basic provincial income tax payable, the elimination of provincial tax payable for some 75,000 low income Manitobans, and the general \$25.00 increase in the property tax credits bringing the benefits available to a maximum of \$375.00 and a general minimum of \$225.00.

To deal with the general rate conversion and the reduction, members are aware that under the new revenue sharing arrangement with Ottawa, all the provinces have had to forego direct cost-sharing on the so-called established programs. That's Medicare, Hospitalization, Post-secondary Education and the Revenue Guarantee which was brought to an end. Instead they had to accept a transfer of tax points from the Federal Government and a *per capita* cash payment which will grow at the rate of the gross national product.

To take full advantage of the tax points transfer from the Federal Government, Manitoba's income

tax rate could have been converted to 57 percent. The actual mathematically precise conversion would result in a rate of 56.84 percent which, under the provisions of the Tax Collection Agreement would have to be rounded out because they don't work in those odd figures. So we could have rounded up. Instead, Manitoba chose to round down.

Now with regard to the tax transfer itself, I want to remind members that the Federal Minister of Finance, when he introduced the Budget, March 31st last, in the Federal House of Commons, said this and I'll quote, with regard to the transfer, he said, "This will come about through a reduction of Federal tax in the expectation that the provinces will increase their taxes by an equivalent amount. The result is that the position of the taxpayer remains unchanged." Well, in Manitoba it will not remain unchanged, there will be a drop because in Manitoba we decided to round our converted rate down and thus to provide a modest — and I agree it's modest — general income tax rate reduction at the same time as the transfer takes place. So under the proposed amendment, the new Manitoba Personal Income Tax rate will become 56 percent instead of 57 percent. And this is to understand it in the sense of what we all know, comparing it to the 42.5 percent which has been in existence up to now, it is as if we reduced the 42.5 to 41.7, which is a two percent general reduction.

As a result of this, as an aside, Mr. Speaker, I might point out to you that this will rank Manitoba fourth amongst the provinces for income tax purposes. It will rank Manitoba fourth amongst the provinces on income tax. —(Interjection)—

MR. SPEAKER: Order please.

MR. MILLER: Play it again, Sam. Now the secondary I'd like to deal with is the question of the low income tax reduction, the impact on low income tax earners. Now, as most members are aware, there has been a nominal provincial income tax paid by low income earners, even where no federal tax was payable. This discrepancy was, in fact, actually overcome because they didn't really pay this amount. It was overcome in almost all cases because of the Manitoba Cost of Living Tax credit. So they may have had to pay \$18 or \$20, but then of course, the income tax credit was that much higher because of the Provincial Tax Credit Program that they really wouldn't have to pay anything but it would always show as a tax by the province and it was something that we had to live with.

Under the new tax transfer arrangements, some of these people would have been faced with even greater increases, provincial increases, and as well, because of the Federal Government's new 1977 Children's Tax Credit, an additional number of low-income Manitoba families would have been faced with that problem. They would have had to pay some provincial income tax at very low income levels where no federal tax is payable.

So because of these factors, Mr. Speaker, our government decided to eliminate the provincial income tax payable for all those who have no federal tax payable by virtue of the general federal reduction measure including the new Children's Tax Credit. And as a result, as I indicated, some 75,000 low-income Manitobans will be simply taken off the tax rolls.

The proposed legislation, Mr. Speaker, also contains a notch provision so that the provincial reduction measure is phased out at 50 cents for each dollar increase in taxable income once the federal tax becomes payable. That's to avoid the problem of no tax at all, and then if you earn one dollar more, somehow you suddenly leap into another category, full taxes, so taxes. So there is a phasing out on the 50 cents per dollar phasing out program or schedule.

The third area as I indicated, involved the increase in the benefits available under the Property Tax Credit Plan and I am sure I need not remind the House that the New Democratic Government views the Property Tax Credit system as essential, not only because of its fair and equitable basis on which it distributes the funds available for tax relief, but also because unlike most traditional tax reduction measures, it provides benefits to those whose incomes are so low as not to be taxable. Now pensioners are the largest single group benefiting.

Under the proposed changes both minimum and maximum tax credits increase by \$25 as I indicated before. We estimate that some 210,000 home owners will qualify for Property Tax Credits this year, by far the majority of them, around 140,000 or 70 percent, receiving more than the minimum. In addition, some 170,000 tenants are expected to receive benefits.

Mr. Speaker, although members opposite are on record are favouring the abolition of tax credits, I've been listening closely this session and I've found that they've been very very silent on the question in very recent months. Now I hope that the debate on this bill will give them the opportunity to indicate to this House and to all Manitobans whether they still favour the abolition of tax credits which they have in the past, or whether they will bow to political expediency with an election in the wind. I'd be very curious. —(Interjection)— You know, they're always so strong on principle, you know, and I hope they are consistent because I know what they've said in the past.

Mr. Speaker, in light of the continued confusion which seems to persist with regard to how Manitoba's tax system compares with those of other provinces, I am sure all members will be interested in the results of a detailed comparison of the personal tax system, and by that I mean the total of personal income taxes, the health service premiums, and the tax credits, provincial tax credits

in Manitoba compared to elsewhere.

Some of these tables were appended in the Budget Speech. I won't repeat them because I don't want to take up too much time.

We've now had the opportunity, Mr. Speaker, to undertake some detailed comparisons for all tax filers, because in the Budget Speech I refer to the typical family of four, married tax filer, wife and two dependent children. So we've now looked at the detailed comparison of all tax filers whether they be single or married, whether with or without dependents. And the results of this detailed analysis are, I found, although I was expecting what I saw, but I found them very interesting and I recommend them to all members. Here are the highlights.

Over 97 percent of Manitobans are better off under the current Manitoba personal tax system than under the system in effect in Ontario. Over 96 percent, one percent less, over 96 percent of Manitobans are better off under the current Manitoba personal tax system than under the system in place in British Columbia. And even, Mr. Speaker, with respect to oil-rich Alberta, even in respect to the personal tax system in that very rich province, about 83 percent of Manitobans are better off under the system now in place in Manitoba, Mr. Speaker. Now what logical conclusion can come to light in the light of these facts, that we can look at in the light of these facts? The conclusion is, Mr. Speaker, that if the Tories had to live up to their promises to bring Manitoba's personal tax system in line with the other provinces, they would have to increase the tax load on 83 percent and 97 percent of the population, depending on which of the three provinces they use as their guideline. So if they wanted to match it with Alberta, oil-rich Alberta, they'd have to increase the tax load 83 percent. If they want to compare it to Ontario, it would be 97 percent. That is if they wanted to live up to the promises that they appear to be making to the people of Alberta of lowering taxes.

You know the same analysis, Mr. Speaker, with respect to the tax system in place under those same Conservatives in 1969 when they were in office, indicates that almost all of Manitobans, at least some 99-½ percent or something, or 99-¼ percent, pay less under the system in effect today in Manitoba for the same income.

Mr. Speaker, I think it should be sufficient to put to rest the misleading impressions that some people are trying to peddle of the Manitoba personal tax system relative to those of other provinces and I think it's the only way to do it. You can't deal with one province and say something will happen here. Let's not kid ourselves. It's only in relation to what occurs elsewhere that you can judge. The fact shows that the vast majority of Manitobans, all those on modest and low incomes, reap substantial advantages here in Manitoba. And in all of that, Mr. Speaker, we've introduced programs, launched programs — and I won't list them all; everybody knows them — far beyond what any other province has done. In other words we have not taxed unnecessarily and we have provided programs the like of which other provinces are envious of us and are just trying to reach that level of service that we have provided.

Mr. Speaker, I know that some of the figures I have just given are of such great interest, I have asked the staff to prepare this material, the tables, and I'll ask the Clerk of the House to distribute them because I know how anxious the members of the opposition are, so they can then go out on the hustings and they can explain to the people of Manitoba what the truth of the matter actually is and what the facts are for the people of Manitoba.

Mr. Speaker, Part III of the Act deals with the changes in the succession duty. The principle behind the taxes on succession duty has never been difficult to explain. — (Interjections) — We will as soon as we get through the business of the House, in due time, in lots of time. You'll have your chance. You'll have your chance, Mr. Speaker. The last thing we'll do is be dictated by the opposition as to when an election will be held. I don't call the election but knowing the Premier, I can tell you that the statement I have just made applies to him. He will never be dictated by the opposition. — (Interjections) — Because he has too high a regard for the people of Manitoba to listen to them.

Mr. Speaker, let's deal with succession duty, Part III of the Act. The principle behind the tax has never been difficult to explain. Why should some people who do not earn but just inherit large sums, pay no tax while at the same time there's people who earn, who work, pay income taxes at normal rates. Now with regard to the number of people affected by tax — and I've heard this said — there's again some confusion, there's an attempt made to sort of make people feel that everyone is going to be affected by the tax. All honourable members should be aware that of those adults who die each year, only two percent or one out of 50 actually leave an estate that is subject to any succession duty. That's in the past, up to now. In fact since 1972, the number of taxable estates in Manitoba's average is well under 200. And of course with these changes, that will drop considerably because the levels are increased a substantial amount. And yet, despite this, despite what were before, there are still those who still try to perpetuate the myth of an all pervasive tax, that everybody is going to get hurt on this, that everybody is going to be affected. Well that's all it is, Mr. Speaker, that's all it always was, it was a myth and we're not about to structure our policy our policy to deal with myths. We believed, and still believe, that the Federal Government belongs in the estate tax field. We are prepared to vacate it, if and when, Ottawa recognizes its responsibilities. And let's not forget that Canada is one of the few

democracies in the western world that has vacated the Succession Duty field and I'm hope that they still come back into it as most democracies have.

Now as indicated in the Budget Address, Mr. Speaker, a number of changes were going to be made and this bill proposes what those changes are, some of the amendments. It will reflect the principle of the equal sharing of marital assets and the amendments provide that no Succession Duty will apply to the share of marital assets accruing to the surviving spouse. It's in accordance with the spirit of the Marital Property Act.

Secondly, it will recognize the impact of inflation on the value of assets in purchasing power by increasing the preferred exemption from 200,000 to 250,000. Increasing the floor below which no estate is taxable from 50,000 to 75,000. To increase the collateral exemption from 25,000 to 35,000. To increase the exemption for infirmed dependents to \$1,500, and that exemption is from the age of the dependent at the time of death to age 71. That's in the act now, but it's increasing the amount. These successions are exempt under this exemption and they are not considered as part of the preferred exemption at all, they are over and above.

A new sibling exemption has been introduced so that \$100,000 may pass with no tax to the brothers and sisters of the deceased. Now to recognize the special situation of dependent children it is proposed that a new exemption be added of \$2,000 for each year between the age of the child at the time of death and 18. For orphans, the exemption would be \$4,000 for each year. That's from the age at time of death to age 18. These exemptions apply in addition to all the other exemptions in the act, Mr. Speaker. The \$50,000 spousal exemption will be retained as it has been.

Now in addition to these changes, Mr. Speaker, the basic allowable period over which payment of the tax may be spread is extended to 10 years from the present six years. That's to assist people who may feel that they want more time in which to pay the succession duty. You know, it's an automatic deferral provision available to anyone who wants it, it is not based on need or anything, just if somebody wishes to have it.

I might also note that the provisions of the current legislation dealing with cases where payment of tax may constitute a hardship, those are being retained.

And, Mr. Speaker, I might also mention that some concern has been expressed relative to the rate of interest utilized in valuing pension benefits and annuities and the rate currently provided by regulation is five percent. It is our intention to adjust that through regulation to more properly reflect the current earning power. So an upward adjustment in this rate, as members I am sure realize, will have the effect of reducing the deemed value of the asset involved in calculating the value of a particular estate.

Another section of the Act deals with the Gift Tax and there are proposed changes there' an increase in the exemption for individual gifts for preferred beneficiaries other than spouses, from \$2,000 to \$5,000 per year; an increase in the exemption for gifts to spouses to \$6,000 per year and an increase in the maximum total of exempt gifts by any donor from 15,000 to 25,000 per year.

There is one other part in the Act, Mr. Speaker, that's the changes in The Gasoline Tax Act. It's a minor one but it's a necessary housekeeping one. The amendment is intended to permit commercial fishermen to apply for a refund of tax which they have to pay on clear gasoline, which they then use in their boats or canoes in the course of their business. The amendment would provide such fishermen the same tax advantage as commercial fishermen who use color-exempt fuel, but where colour product is not available, simply by virtue of location.

So, Mr. Speaker, in summary all the changes are of a beneficial nature to Manitoba and, specifically, I like them. We are taking up the Federal Income Tax point transfer, naturally as all provinces are doing. We are providing a general two percent reduction in the basic provincial income tax, bring our rate to the level of the fourth in the country. Removing some 75,000 low income Manitobans from the income tax rates. We are increasing both maximum and minimum property tax credits, and we are reducing succession duty and gift taxes.

Mr. Speaker, I commend this bill heartily to the House. Thank you.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. FERGUSON: Mr. Speaker, I beg to move, seconded by the Honourable Member from Morris, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Labour.

HONOURABLE RUSSELL PAULLEY: Would you call Bill No. 65, Mr. Speaker.

MR. SPEAKER: Bill No. 65, proposed by the Honourable Minister of Labour. The Honourable Member for Assiniboia. The Honourable Leader of the Opposition.

MR. LYON: Mr. Speaker, I just rise on a small point of procedure. Just to indicate to the Honourable the House Leader that I would be prepared to speak on Bill No. 40. I realize he's calling the bills according to his own behest, but I'm prepared to speak on Bill No. 40 if he calls it today or if you'd called it this morning, or if he calls it tomorrow afternoon. In order to accommodate my honourable friends opposite and get Supply passed so they'll have every opportunity to call the

election, if they dare.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker I appreciate the information received from my honourable friend as to the order of procedure. It just happens to be that I am the Acting House Leader and in accordance with the Rules of the House, my decision will be as to when we call a bill. As far as the election is concerned, I just want to assure my honourable friend that it might be to his advantage to have an early election because he's hanging himself every time he speaks. But that is his decision and not mine. Bill 40 will be called, Mr. Speaker, in due course.

BILL (NO. 65) — AN ACT TO AMEND THE EMPLOYMENT STANDARDS ACT (2)

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK: Thank you, Mr. Speaker. Mr. Speaker, some two months ago I had a bill before the House and at that time I thought I was trying to help the Minister of Labour, and perhaps would have been able to some extent help him along and maybe even bail him out, but the Minister on that occasion rose in his place and said he could not accept the proposal that I had before the House because it was of anticipation and he thought that I shouldn't have the opportunity to present a bill. He indicated at that time that he would be proposing legislation, the type that he wanted and, Mr. Speaker, I am concerned because I sincerely believe that the legislation that he did propose is not his legislation, I don't believe that it comes out of his department. I believe that it was a combination of the members, and perhaps the backbenchers of the government, and not totally in agreement. It was a compromise somewhere and I believe the compromise was so great that the Minister of Labour got himself in into a bigger dilemma than perhaps he was before and I sincerely believe so, Mr. Speaker, because what has happened . . . —(Interjection)— The Minister of Health says well it was the Chamber of Commerce that influenced the Minister of Labour. I don't believe that, but I do believe that there was such a disagreement in caucus, and it had to be, Mr. Speaker' because it took over two months while the Minister was promising daily that legislation was coming, it took him about two and a half months or close to three months before he finally tabled the legislation. So that in itself is a good indication that there had to be, and it was quite evident from even the papers that there was great disagreement on the government side, and the government benches, and that's why the legislation wasn't coming.

But the problem that the Minister finds himself in today, that because of bringing in a combination of all kinds of things in that legislation, I think he has made the situation much worse than it was before. Because, Mr. Speaker, what has happened? Let's take a look at what has happened. He has, on one hand, antagonized the management and business entrepreneurs because of his 1 ¾ percent, 1 ¾ for overtime; on the other hand, to some extent — and perhaps to a great extent — he has also antagonized the labour, because there are many rank and file in labour felt that the legislation should have applied to everybody across the board instead of the 60 percent not organized. — (Interjection)— So what has happened? The Minister has antagonized both parties and I believe has made it worse than what it was before.

Let's take a look at what has happened to the situation at Griffin Steel, Mr. Speaker. The people at Griffin Steel, the new employees, if the legislation passes the employees who were strikebreakers will have the protection of this bill; and the people that were on strike will have no protection of this bill. So how can the Minister indicate that he hasn't antagonized. I know that the Member for Logan was speaking this morning and he indicated something, that under no circumstances could he have accepted the legislation that I was proposing — if I'm wrong I hope he'll correct me — but I didn't hear the whole gist of his remarks, maybe it's not right. But if that's what he said, if I got the gist of the remarks then I am disappointed as well, because certainly again the labour will not accept that too' because they would like to see the legislation —(Interjection)—

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS: On a point of clarification for the honourable member, he is quite correct, I would not have accepted his motion or his amendment to The Labour Standards Act. I want him to be quite clear on that.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Okay, I'm glad that the member has clarified, because then he says to me that he has no faith in the Manitoba Federation of Labour, he has no faith in their Executive Director or the President of the Manitoba Federation of Labour and that's what he has indicated to me, because what did the Federation of Labour brief indicate?

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: The Honourable Member for Assiniboia is inferring that I stated that I had no faith in the Manitoba Federation of Labour or the President, and I never said that.

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

MR. PATRICK: Mr. Speaker, surely the member knows, the Member for Logan knows what I've

said. I said his position was that he said he could not accept no involuntary overtime, and I said, which is contrary to the Manitoba Federation of Labour. I said, surely then in my opinion, then he has no faith in the Manitoba Federation of Labour. So I can't see how he cannot accept that, because look what the Manitoba Federation of Labour had to say, Mr. Thibault, whose organization has repeatedly called for all voluntary statute; "Feared employees could easily provoke strikes or force a union to give up the 40-hour week by insisting on compulsory overtime in their contracts. I can see it being used as a sort of sham to make a union buy itself out or provoke a strike, or get rid of the union entirely," he said. So that's his statement. Thibault said he was surprised the bill did not come closer to the Manitoba Federation of Labour submission, but the Federation would continue to push for a complete withdrawal of overtime from collective bargaining, which is completely different from what the Member for Logan has indicated. —(Interjection)— The Minister of Labour says the Manitoba Federation of Labour is not the government. Well then, that's fine, I accept that.

I am indicating that if the Minister would have accepted my proposal before the House, I think he wouldn't have had the dilemma and I think it would have had an acceptance. —(Interjection)— No, it would not have, Mr. Speaker, but let's go back.

The catalyst perhaps — the catalyst for this legislation introduced by the Minister of Labour — and I would say what we have to agree with to a great extent was the strife at Griffin Steel . . .

MR. PAULLEY: No.

MR. PATRICK: Well, the Minister says "no". I think the proposals of the Minister, I believe in my opinion, really fail, fail to deal with the type of a situation. It does fail to deal, because look what's happened. The company insists on limited overtime at Griffin Steel, and the union is opposed to putting it into the agreement. That's the fact. So what he is doing, the situation will be worse now. —(Interjection)— So the Minister's proposals seem more likely to create more problems at every negotiation and that's what will happen, because then this will become the contentious issue. This will become a contentious issue, and this will create more confrontation in my opinion, Mr. Speaker, than less. Then what are we going to have? We are going to have more labour unrest.

So what the Minister is proposing, Mr. Speaker, I think it will cause more labour unrest than correct the situation, or create less. I think that in my opinion I believe there should be no overtime on a compulsory basis, except what is provided in a collective agreement. Except what is provided in a collective agreement which is negotiated but still that wouldn't be one of the negotiating points or issues. That wouldn't be one of the negotiating issues. I see that there will be many many problems.

Now I think in many cases there will be greater problems created by this. I think that where mutual agreement is reached on an overtime basis, that's fine; I have no argument. —(Interjection)— No, I don't . . . well, maybe I should clarify it. Well, I will come to that. I will clarify. I will support the bill to go to Law Amendments Committee because one principle in the bill that's involved which does affect the non-organized people which represents over 60 percent, I think the bill will have some good for these people. I think it is in the right direction but, on the other hand, it does not apply to the organized people which is also a concern of everybody that's organized and, as well, it affects the management and the organizations, the companies, the employers, who are greatly concerned about the one and three-quarters because, Mr. Speaker, we have to accept the fact, we have to accept the fact that we have pretty high unemployment at the present time, we are not in a very favourable position as far as competition is concerned — and I am sure the Minister knows that because that was one of the reasons why we had to have the AIB regulations.

You know, in 1974 and 1975 where we had in billions of dollars trade deficit. The first time in the history that we had perhaps zero GNP, any growth in the national product, the first time, and at the same time, we had right across the country on a national scale increases in the wage scale somewhere between 18 and 20 percent while in the States we had 8 to 10 percent. So what has happened? We have put ourselves in a very non-competitive position, Mr. Speaker. That doesn't say that I am taking issue or speaking against labour, that's not the fact at all, because for years and years I have put our principles which we believe that we are committed — the Liberal Party is committed to the principle that the worker can best improve and protect his interest through strong democratic and responsible self-regulating trade unions. I've said that on many many occasions. I am still committed to that principle today and I believe in that. I believe they have to be strong because perhaps weak cannot bargain; they have to be democratic because their own members have to be assured, the members of that union, that they are responsible and, again, they have to be self-regulating because then the government has to intervene.

So I believe in those principles but to say that at this stage we have a pretty high unemployment that we have to go to one and three-quarter times for overtime, the question that I raise with the Minister, who has asked for it? I can indicate to the Minister of Labour the employees have not asked for it; the Federation of Labour hasn't asked for it. Well, where did it come from? There must have been a compromise somewhere within the backbenchers of the government and I see the Minister shaking his head so I see that he's agreeing because it had to be compromise. —(Interjection)— **o, I do because I have checked and I believe sincerely that it was not demanded, it was not requested, so**

certainly somewhere there must have been a compromise. Perhaps a carrot.

I certainly believe that any overtime should not be on a compulsory basis at all. That's my commitment and that was my bill before the House before, very simple, and instead the Minister now brings in a bill that's mixed up with all kinds of other issues in it that creates a problem for himself and I think creates a problem for many people in this province because really, I don't think we can put any more burden on employers at this time to say, you've got to pay more because I have had calls from many employees and their concern is not about one and three-quarters — surely any worker would like to get more money — but his concern is, with higher for overtime, will I be able to get any overtime and that's a great concern.

I still feel that it's up to the employee himself. There's many of them that have budgeted themselves on such basis, their income is based on such basis that they perhaps make \$400 or \$500 overtime a year and I think and believe it is very important to many employees in this province. This will be a factor because the calls that I have had from employees who say, "Will it do away with overtime?"

The other point I would like to indicate to the Minister, if the legislation would have said no involuntary overtime, I believe the companies and the corporations and the employers would have all kinds of employees that would want to work overtime. Mr. Speaker, I am sure that the Minister can phone many employees, many workers, and if you offer them time and a half, I will tell you you'll have more than they want to work. I can tell him from my own experience, you can even talk to the staff in your own office, they ask you if there is anything extra to do because they would like to work half a day or a few hours overtime because, for the simple reason, for the simple reason, that they want to make more money.

So, I don't think that's a factor when the Minister feels that he was not able to bring legislation that would apply to everybody, that there would be no involuntary overtime, that it would do away with any overtime, it wouldn't have. In fact, I think any employer would be able to get as much help as he wanted, provided he scheduled his program, provided he scheduled his work in advance on a proper notice and I'd say all he has to do is put a notice up and he'll have more employees seeking overtime than he can handle. There may be some problem; employees may not want to do one hour at any time to come back to work but I am sure that would be no problem at all. I think that he would have more . . . and I've talked to quite a few companies, corporations, and asked them what effect it would have. In fact, to many of them, it was acceptable; to many of them it was acceptable, so what has the Minister done in this case? Brought in legislation that goes half-way, so you've antagonized the management and you've antagonized the labour on the other hand.

What I wanted to say, what I started to say, you said, "Where do you stand on the bill?" I will support the bill to go into Law Amendments; I want to hear the presentations. The Minister indicated he is going to bring amendments himself and maybe do away with the one and three-quarters and if there are amendments, and particularly on one and three-quarters, then I would say I will support the bill but if there are no amendments in that area, then I will reserve the right to vote against the bill on third reading because I believe this is at the wrong time. The employees have not asked it; the Federation of Labour has never asked it. Naturally they cannot argue against that. It wouldn't be in their interest to argue against it when the Minister offers somebody a carrot.

But I just can't believe that at this time when we have a very high unemployment, we are finding ourselves in a very competitive position where we are pricing ourselves completely out of the world market and we are finding very few, very few people that can stay in a small business world. In fact, they are being eliminated pretty quickly and pretty fast. The small *entrepreneur* is disappearing and still in this province he employs over 70 percent of the people. So surely the Minister should be able to talk to those people, to communicate, instead of not communicating, because it is a factor. Mr. Speaker, I can indicate to the Minister, he can check in the City where the price between an overhead garage door in the City and the one that comes from across the line, Grand Forks or Fargo, were almost the same price. Today there's a differential in a matter of three years of \$75.00 higher that's produced in here. So if you go to a lumber yard and if you're going to buy one, which one are you going to buy when they're almost made equally the same. you are going to buy the one that's \$75.00 cheaper. So it does have a factor.

So, Mr. Speaker, I do have a concern, I hope that the Minister will be receptive to the representations set before Law Amendments Committee and at least in the area of one and three-quarters where there was no request for it, there was no demand, which will place a burden on our competitive position, which will affect some industries and I am sure the Minister has all the communication and all the letters that perhaps the other members had, and I hope they'll change. So for that reason, I will propose that because the Minister indicated that he is open and will change the one and three-quarters. So if he will, then I will be prepared to support the bill on third reading. But at this stage I would like to let it go to Industrial Relations Committee so we can have the expertise of many of the employer groups and as well we'll hear from the labour itself.

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But what I am saying to the Minister is, it's factual. Surely he concocted the bill somewhere. In fact I don't believe it's his bill. Somebody in the back bench must have produced it for the Minister on a compromise basis because that is what it is really. I think if the Minister legislates for non-organized workers, which is a fact and I accept that. There's nothing wrong with that. But I would also accept that it should be applicable to all workers in the province. How can you differentiate, Mr. Speaker? And this is the issue that I take with the bill. The bill leaves all the organized workers to negotiations and in my opinion, this will lead to more confrontations. You are in fact giving the management and labour a vehicle to disagree on a non-compulsory overtime. In fact the management can say, "Well look, we will not sign this contract." And what you'll have, you'll have many more disruptions in the labour force because the management will say, "Look, we won't sign unless you give us eight hours or 20 hours a month or so much per week overtime." So that becomes a contentious issue. But okay, if you would have had legislation, no involuntary overtime, that wouldn't have been an issue at all. That wouldn't have been an issue because that, in a negotiation, that wouldn't have been one of the vehicles that you would have had to negotiate.

As I said management could have scheduled the work in such a way and said, "Look, we need so many overtime people for such and such a time," and I'm sure you'll have more people than management would require for that overtime basis. You will in almost every shop. My information is that there's an opportunity to make 1 ½ time, that people would take advantage of it. And I wish — (Interjection) — that the Minister would have taken that action.

So my point is, Mr. Speaker, I think it should have applied to everybody. I know I had a communication this morning from Campbell Soup Company in Portage la Prairie, Mr. Speaker, and they take a very strong objection to the 1 ¾ time and I understand that the Campbell Soup Company is a good employer. I've heard from no one. In fact the people in Portage are extremely happy to have that plant there and the plant has been expanded in that location twice now. And that's perhaps a very large economic base in Portage la Prairie. Now there was another indication that Campbell Soup would be expanding the third time and this may be an issue that it may deter one. — (Interjection) — Well, the Minister says that's stupid. I hope it's not the case. Maybe the Minister knows something that I don't that this will affect but the communication that I had from them this morning, it was quite serious and to the point and I would have hoped that it will not be an issue if they have to expand.

The other point, Mr. Speaker, I think the provision of 1 ¾ really baffled me because the Minister says it is to make up for the fringe benefits. It has been indicated most of the fringe benefits are based on gross pay already as it is, and in some area, I think instead of taking a percentage basis, it could have been included, so I can't see why we should go through to that, Mr. Speaker.

Again I have indicated there has been no pressure for it. I tried to do a few checks for the last couple of days. So in my opinion it's really a carrot by the Minister to make somebody happy in the back benches or on the government's side that did not get the legislation that they wanted and that's the only thing that I can see. — (Interjection) — Well it may be hitting below the belt but, Mr. Speaker, I want to indicate to the Minister of Public Works, there has been no pressure for it from anybody in this province, not the employees, not the management of course, and not from the Federation of Labour. So there has been no request for it at all. That has never been an issue at any of the labour organizations. — (Interjection) — So I agree, I hope they don't rule the government, but what was the reason then of putting it in? — (Interjection) — That's the point.

So I ask the Minister what was the consideration, if any consideration was given to that impact, that it would have on the economic community of Manitoba on the economic base? Has the Minister, since the first reading of the bill, had some opportunity to check out with some of the Manitoba manufacturing industry which the sales in the first six months of this year or the first four months of this year, are down by 24 percent. — (Interjection) — That's right. But the thing is let us not make it worse. Why make it worse? It may be worse with the one and three-quarters. — (Interjection) — Well, the Minister says, "maybe."

The thing is in my opinion usually in most cases even if it's an NDP government or a New Democratic government, it's the public opinion usually that lead any government ahead of any kind of legislation that is required. And in this case the government is leading everybody because nobody requested the one and three-quarters time. So what I am saying in any type of legislation, the government opinion is there. For three weeks of vacation or holiday after five years of employment, the public opinion was there, the labour organizations and even employers were giving their workers after five years, many of them three weeks holiday pay. So there was a public opinion and public opinion was ahead of the government as such. But in this case, there was no such public opinion; there was no such base made so this is my question that has the Minister considered the facts? Will it have any impact? What kind of an impact? — (Interjection) — Well I think that the Minister should have considered because I haven't got all that data or statistics to indicate to the Minister just exactly what impact it will have. It may have a counter-proposal to what the government is trying to do in the way of creating employment in the province. It may have. So it's another issue that the Minister should consider. So I believe that the contents of the bill if it's not making the management and

labour happy, I can't see why the Minister has moved in that way. I do accept that one principle in the bill that will apply to non-organized employees, I accept. That's fine and I am sure that if he would have brought a simple, straightforward piece of legislation, I think it would have been acceptable and I am sure it would have been acceptable, Mr. Speaker, to the management because at least some of the people that I spoke to in management, they said, "That's fair enough. We'll accept it. We're accepting a 40-hour work week as a week of work. We've accepted that principle and we'll have to schedule our work on such basis that we need overtime." But to propose what the Minister has, I think that it will create more problems. I think it would have been very simple for the Minister to bring in straightforward legislation, set all hours, a work in excess of 40 hours in a week should be on a voluntary basis. I could assure the Minister that most employers would be able to secure all kinds of help that they would have required, in fact, more than they needed in most cases and I have checked with some employers, not that many. I would have hoped that the Minister would have had one idea that I had proposed or would have proposed in the legislation that I anticipated to bring into the House, was that there would be a maximum work week and I indicated it was 48 hours in Ontario and I'll go further, to make it very flexible, and would indicate that I would be prepared to let it be 54 hours a week, on a voluntary basis, up to 54 and I said after 54, perhaps that employer can ask for a permit from the Labour Board, one permit for six months or for a year and that could have been resolved because I understand in most provinces there is a maximum work week. I feel that there are some reasons for it because even if some workers feel that they have to work a 60 or 70-hour work week, I think there is still a responsibility from that individual to his family, his home life and so on. So I do feel that there are reasons that maybe there should have been a maximum work week.

I as well know that there was a provision that in case of an emergency, in the bill, I don't know if it is fully described. Some of the people I talked to, they were not satisfied with it. The definition as to what is an emergency is defined well in the bill. Perhaps that's an area that we can look at again.

But I think it's the bill that I had before the House some two months ago, with a provision that no trade union perhaps or employees' agents would be allowed to prevent or dissuade any worker from not working overtime, then I think it would have solved all the problems that the Minister had.

On the other hand' Mr. Speaker, perhaps there is maybe a deficiency in our Manitoba Employment Standards Act and that's the one that's in an area that doesn't have the provision and acceptance of the 48-hour work week. So I think if the Minister would have moved as I indicated he should have in the area, I think it would have been perhaps satisfactory. I'm not even certain if it wouldn't have been satisfactory to most Members of this House; I believe it would have. And we would have had the Minister out of his dilemma. In this instance, what the Minister has done, he has antagonized the labour in one hand; he has antagonized the employers and management on the other hand.

So in conclusion, Mr. Speaker, I want to indicate to the House that I support the bill to go to Law Amendments. I hope there are amendments, particularly on the one-and-three-quarters. I'm not satisfied with the other one where it's not applicable across the board. If there are not satisfactory amendments in that area, then I will vote against the bill on third reading.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS: Mr. Speaker, I have only a very few comments to make and I make them with some regret because I think seldom that the Manitoba Legislature or this Chamber has had to face the kind of situation that we face now; that is, of an outgoing Minister who has retired two or three times during the last few sessions, feels compelled to engrave indelibly as an epitaph, you know, in law, in legislation, a particular piece of legislation.

Disregarding all, all concepts of common sense, common economic sense, he would lead us to believe that even, you know, if you disbelieved all the wildest of Tory and Conservative accusations, that the business community, the economic community of Manitoba isn't the best. If you believed all that. But what he, by this legislation, wants us to believe, is that the average businessman in Manitoba is far better off than the businessman in Alberta; far better off than the businessman in Ontario; far better off than the businessman in North Dakota; far better off . . . In fact, we are a haven; we are a Cuba. Up to now, the business community in Manitoba has enjoyed a particular degree of protection that has been not granted to any other business community on the North American continent. Nobody in North America has enjoyed those special privileges, that is, those that are involved in business, as the businessman living in Manitoba. Let's understand that; that is really the essence of this bill because throughout Canada, it has been accepted that time-and-a-half overtime pay. Throughout North America, it's accepted — time-and-a-half overtime pay.

But in Manitoba, because of the blessings of a New Democratic Party, business has so flourished; the businessman has enjoyed those benefits that no other business community has enjoyed in North America, this Minister is capable of suggesting to us that he can impose an extra — as my friend from Fort Garry says, an extra 16 percent surcharge on the cost of doing business that will cause no penalty to the economic well-being of Manitoba. And will cause no loss of jobs to the people of Manitoba. And will cause no increase in consumer prices, you know, in Manitoba.

How short your memory is; how short all your memory is. —(Interjection)— No, I can remember when the now Minister of Continuing Education — I can't remember all of his other titles — marched into the Milk Control Board. Oh, this was back in 1966 or 1967 when the then Milk Control Board has had the audacity of raising the price of milk by one-and-a-half cents a quart and demanded a public inquiry. Now we raise the price of milk by four or five cents every six months but this people's government doesn't believe in what Anne Ross believes from the Mount Carmel Clinic, that maybe that commodity is being overpriced. —(Interjection)—

A MEMBER: What does that have to do with the facts that are before us?

MR. ENNS: Well, what it has to do, Mr. Minister, is precisely what you are doing. Because what you are doing is going to put three cents on every quart of milk if you pass this bill. If you pass this bill — three cents on every quart of milk; two cents on every loaf of bread; five cents on every pound of meat. —(Interjection)— Well, that's fine, that's fine, but these people honestly believe that we can hire \$45,000-a-year men to cut meat; we can hire \$14,000-a-year men to deliver bread; and that has nothing to do with the price of the product.

Well, Mr. Chairman, this is just a short speech and all I want to do is suggest to you that the tragedy is that this is being subjected to us by an outgoing Minister, who will no longer have to stand up and defend the consequences of his acts. He just wants to have an epitaph engraved to himself. He wants to be able to walk around this province saying, "I got you the one-and-three-quarter overtime pay," when he quaffs that quart of ale in the union halls of this province. —(Interjection) Then fine, then do that. —(Interjection)— Well, that's fine, Mr. Speaker, but so much for responsibility; so much for responsibility and the office of the Minister of Labour. So much for the office of the Minister of Labour that has some responsibility for both sides of labour, labour and management. Something that this Minister has never accepted; something that this government has never accepted. But then of course, we understand why. We understand why, and the Member for St. Johns and I understand why. We understand why very clearly, very clearly, because it isn't the concern about the well-being of the private sector in this province. There isn't the well-being of the economy of this province; there is the hope that the economy will come crashing and crumbling down, that it will come crashing and crumbling down, and who will they blame? So pursue with it, but at least on record it has been said.

What the Minister of Labour in the passage of this bill is really trying to convince Manitobans of, is that our business climate is such that it supersedes the rest of all of North America. Don't expect business in Saskatchewan to pay time and three-quarter, because they're in trouble. Don't expect business in Alberta to pay time and three-quarter, because they're in trouble. Don't expect, even Stephen Lewis, the Leader of the New Democratic Party in Ontario, the richest province in this country, hasn't got the audacity, hasn't got the gall that this Minister has to promise the industrial workers of the golden belt of Hamilton, of Toronto, time and three-quarters, because he thinks that would be foolhardy. But here in Manitoba, this Ruhr of Canada, the Ruhr Valley of Canada where all of the wheels of industry turn, we can afford to lead in this particular field because we have a senile Minister of Labour that wants to engrave his name in those union halls furthermore. Now you go ahead and do it, and with it, you will take a thousand jobs down the drain, you will take thousands of businesses down the drain. Go ahead and do it Mr. Minister of Labour.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON: Mr. Speaker, I had my little bit of doubt when my colleague was speaking when he mentioned that the Minister of Labour was not in favour of management, when just last night he pushed through legislation that was nothing but for big business and for big unions.

Mr. Speaker, I assure you that last night also, the legislation that was passed was again doing something to harm the Province of Manitoba and the people working in it. I just want to comment on the bill from this point of view, that I just really can't understand when this government stands up and comes in with a work program that says to the people of Manitoba, or the businessman of Manitoba, we will pay \$250.00 a month up to four months or up to \$1,000, and along comes the Minister of Labour and passes legislation that reduces that \$250 a month to about \$215.00.

The overtime that has to be done in the construction industry in the Province of Manitoba has always been there, always will be, on roads and everything, etc. And all you've really done, all the Minister's really done, Mr. Speaker, is say to those people that have been paying time and a half, that now you'll pay time and three-quarters, and that amount of money that this government put forward to supposedly help this province, as they would say, as far as jobs are concerned, the Minister of Labour just walked down the hall and he said to the First Minister, who thought he was doing something to the tune of \$250, it's now on the average about \$215 to \$220.

Now, I wonder, Mr. Speaker, if the Minister of Labour really understood that, or was my COLLEAGUE FROM Fort Garry right that he should be stuffed and be in a museum, because he is not thinking at the present time. This session he should not have been allowed to be in the House, for what he has done to small business and business in Manitoba.

A MEMBER: And working people.

MR. F. JOHNSTON: Mr. Speaker, just let the members on the other side of the House realize this,

that the program that was put forth to help get jobs in Manitoba by the NDP government was just cut considerably by the Minister of Labour of this province.

QUESTION put.

MR. SPEAKER: The Honourable Minister of Labour shall be closing debate. Order please.

MR. PAULLEY: That's more than you ever did. That's more than you ever did, George.

Mr. Speaker, I move, seconded by the Honourable Minister of Health and Social Development that the debate be adjourned.

MOTION presented.

MR. SPEAKER: Order please. Some people just do not realize that they are in a parliament.

MOTION carried.

BILL (NO. 56) — THE FARM LANDS PROTECTION ACT.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Would you kindly call Bill No. 56, Mr. Speaker.

MR. SPEAKER: Proposed motion of the Honourable Minister of Agriculture. The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, speaking briefly to Bill 56, I want to say first and foremost that my Leader, in introducing the debate to that bill, did a very admirable job in covering just about all aspects of it, followed by other colleagues on this side, who covered a number of points that I thought were very valuable. And they having done that, doesn't leave too much to add to the debate insofar as Bill 56 is concerned.

But you know, Mr. Speaker, I want to say that this seems to be almost traditional now with this government when they bring in legislation dealing with a problem that, the Minister of Agriculture, in this case I would hope, knew full well what the problem was. I would appreciate it, Mr. Speaker, if he had had a bill, namely this Bill 56, the Farm Lands Protection Act, that would have dealt with one particular point that the farmers in this province were concerned about. But instead, Mr. Speaker, he chose to add a lot of other things that I feel were not justified to be incorporated in Bill 56.

I wasn't on the Agricultural Committee in the last few years, travelling around the Province of Manitoba, but three, four and five years ago, I was, and I remember, Mr. Speaker, when asked by farmers how they felt about the foreign ownership of farm lands, they were more concerned about this government getting involved in the buying of farm lands, that is commercial farm lands. Mr. Speaker, in my comments, I want to make sure that they understand and differentiate between this government getting involved in buying up commercial farm lands, as opposed to lands that have been under the Crown for many many years. There's a difference, Mr. Speaker.

Invariably, when we posed that question on those committees around the province, farmers indicated they were more concerned about this government, this province getting involved in the buying of farm lands. Not so much about foreign ownership or foreign purchases. But in the last year or two years, this problem has cropped up.

I would just like to tell a story which is factual to honourable members opposite. About a year ago, in my constituency, where a gentleman visited from Holland some friends in the Cypress River area, and he indicated to his friend that he was visiting, be "You may somewhat alarmed at the moneys that are coming from the European Common Market area, namely, France, Belgium, Holland, Luxembourg, Germany, and Italy and other areas, of money that's coming into Canada and Manitoba to buy up farm land." And this gentleman, who was a member of the Dutch government, indicated his reasons why, and it's been said here, that because of the fears that have been put in the minds of people in those countries, of Russian Communistic domination, and the fear that those countries individually are so small, that they found it hard to cope with. And for this reason — and that's one of them — that they decided to come over to Canada to invest some of their money in farm lands in Manitoba.

This gentleman from the Dutch government indicated to me that he wasn't really all that concerned whether there was a profit made by the investment made on lands in Canada, because he was more concerned about getting his land invested in something that he thought was safer than in his own homeland. Mr. Speaker, it is a tragedy to have to say that in this House in this day and age. But I am concerned for the people of this province because of what has been going on in this government. To their disappointment they are coming into a province, they are not leaving the problem in their own homeland but they are coming and finding out the problem could be the same thing in the near future in Manitoba. Mr. Speaker, that is a very serious situation that we face ourselves in this province.

Having said that, Mr. Speaker, and I would have respected the Minister of Agriculture if he had brought in a simple bill dealing with the — and I say there is a principle here. I reiterate my comments from my Leader, who did say that he agreed with the principle of foreign purchase of farmland in Manitoba, who are non-resident. And that's the problem that has been extended to me by my constituents and I am sure to my colleagues on this side of the House from their constituents. But the

Minister didn't stop there. He has invoked regulations and legislations that pertain to Manitoba citizens, to citizens of this country, and I think, Mr. Speaker, that is wrong. But, you know, this Minister and this government are in such a way to scheme, that they will bring in the principle but they will add a lot of things to the bill that they know full well that we don't like. And in order to get their way they say, "You either vote for all or nothing." This Minister of Agriculture and his programs in the past — I have had many farmers say, "You know, he is known as Slippery Sam." — (Interjection)— The Minister of Agriculture. That's right, Mr. Speaker.

I remember, Mr. Speaker, speaking on the Throne Speech, and I stuck my neck out, Mr. Speaker, when I thought that I was speaking possibly for maybe 95 percent of the farmers of this province, when we were dealing with a vote that was to come in the weeks ahead. Mr. Speaker, I don't regret making those comments, because the results of what happened proved myself to be much closer to being correct than the Minister himself.

So, Mr. Speaker, I am concerned on this Bill 56 with the powers that are granted to the Minister himself, rather than the Lieutenant-Governor-in-Council. The Minister can decide who shall be a farmer and who shall not be a farmer. Let me just give an example, Mr. Speaker, where a farmer may be operating a farm. It could be marginal, he could have a bad year, his income could be low. He could be adjacent to a town or could be adjacent to a city and he might have to seek a supplementary income and therefore have to go and work on some other kind of work. In the Act, and I don't know, and I just ask the Minister, how does he define who is to be a farmer and who isn't in a case like that? It could be that that farmer's income that year may be lower than what the Act specifies. Is the Minister then going to say to John Blow, "You are no longer considered a farmer and you are going to have to get out of business." — (Interjection)— Mr. Speaker, the Minister says from the seat of his pants, he says he will allow me personally to qualify. He knows full well that he is not in danger when he makes that comment. He knows full well he is not in danger when he makes that comment. I repeat that. But there are many farmers who are less fortunate maybe. But what he doesn't know, Mr. Speaker, is that I have spent a lifetime, when he talks about me personally, in establishing my position.

Mr. Speaker, you know, also in this Act it says, "The Minister shall have power . . ." So I say, a Minister of Agriculture. We could be confronted with a Minister of Agriculture who may not even be qualified to decide who is a farmer and who is not a farmer. And that is something that concerns me, Mr. Speaker.

Another area in this bill, Mr. Speaker, is that they have limited resident — 160 acres corporation and 640 acres to an individual. And you know, Mr. Speaker, I would suggest to the Minister and he was asking for amendments, suggestions to amendments, that I don't think the Minister — and it indicates here as an example of how little this Minister of Agriculture understands the knowledge of a farmer and of a unit that is economic. Because there are areas in Manitoba, where 640 acres wouldn't begin to make a living for a farmer and his family. They wouldn't begin to. And so, Mr. Speaker, I would suggest rather than having 160 or 640 acres, he should base that in the Act on assessment rather than on acreage. That would be much more practical in my view, Mr. Speaker. The Minister, he shakes his head in the negative, Mr. Speaker. So I can see possibly that the offers we have to make in the way of amendments, he is not going to accept them at any rate. He has already decided, Mr. Speaker, if there are any amendments they are going to be made by him and his department. We either accept them or we don't, and therefore it will be too late.

Another area, Mr. Speaker, is in this bill where the person or corporation that has the 160 acres or 640 acres respectively, has two years to forfeit the land if they are in possession of more than those two figures — 160 and 640. Of course, Mr. Speaker, this is involved with the Land Titles Office and I would say, Mr. Speaker, I believe that there is a problem here in regards to the legitimacy of our Land Titles Office and the system. As I read this bill, and I'll stand to be corrected if I am wrong, but I point out to the Minister that if this is the case and they have got two years to sell their property because they are over the specified number of acres that is specified in the Act, it could also be that the market situation could be bad and you know, because they possess this land now, is this any fault of theirs. There is a number of areas that could be real problems for those people and I would say that the Minister should probably look at in a more practical way as to whether or not that two years shouldn't be changed to a little longer time to allow them to relinquish some of that property.

But here, Mr. Speaker, I am talking about rules and regulations that are being applied to residents within this country, not foreign purchasers, but residents within this country. And you know, Mr. Speaker, my colleague from Sturgeon Creek this morning in his comments, when he talked about the freedom and the rights of individuals in this province . . .

MR. USKIW: He doesn't know the meaning of the word.

MR. EINARSON: Mr. Speaker, I would suggest to the Minister that he does. And you know, Mr. Speaker, I want to add one further comment to this, that if this government is re-elected to power I would suggest that the Minister of Urban Affairs, whoever he may be, may bring in a law that is going to say to the people of the City of Winnipeg that you are going to be limited to how much land you can buy or how much property you can buy, where and when and all the rest of it. That's the faith, Mr.

Speaker, I have in this government insofar as legislation is concerned. Because as I say, and I've said it before, that if the Minister of Agriculture had brought in a bill pertaining only to foreign purchasers who are non-resident, to help solve this problem, I could go along with him. And that is a point of concern to many farmers in the Province of Manitoba.

I can say, Mr. Speaker, that it has created in the past few years an inflationary situation as far as the price of land is concerned, has made it difficult for young farmers who probably don't have the wherewithal to purchase land for themselves if they don't have any assistance or support from say, father or from an uncle or somebody, and they find it difficult to get into the business of farming. I can understand that. You know, Mr. Speaker, if we have a year or two of dry weather I would suggest to this Minister of Agriculture that will all disappear. I would suggest that Mother Nature there will take care of that particular problem and this is nothing new. This has happened in the history of our province before. When you go back into — and I don't remember them well, but I can think of my father telling me stories and others in the early thirties, when land was bought by Americans and such, and after they had operated for so long they found it so difficult economically they threw it all up. I can think of a few farms that have been purchased in the last two years, bought by Americans. They realize now that at the time that they bought it they paid too much money for it and they are now already ready, already are they ready to sell to anyone who wants to buy it, and they are even prepared to take a reduced price, because they have found out that the economic situation in Manitoba is not what they thought it would be.

Mr. Speaker, as I said before I am concerned with this Bill 56 in that it does not take into consideration the real issues as it should insofar as the purchase of farmlands are concerned by foreigners who are non-resident. Rather it is an imposition. Regulations are going to be applied to citizens of this province and of this country and Mr. Speaker, I take issue with it. While he makes it very difficult for us to oppose the bill, all I can say, Mr. Speaker, is that I speak with a word of real protest to some of the aspects of this Bill 56, because . . . can accomplish what the farmers of this province want to see happen, and that is some measure, and I say some measure, of controls on foreign purchases of farmland who are non-resident. And this Minister makes it very very difficult, and I say that is why they call him "Slippery Sam," Mr. Speaker.

So, having said those few words, I look forward to the bill going to Committee, whether it be Law Amendments or whatever. I look forward, Mr. Speaker, to hearing briefs, and I think this is a stage that is very important in all our legislation, which we have learned in some of the bills we have already passed, and probably passed judgment on on second reading, only to find that some of the things that we hear in Committee changed our minds, because we weren't fully aware. I'm only a layman, Mr. Speaker, and you find out afterwards and you learn from some of the legal people what one section or the other may mean. We weren't aware of it until we hear it in Law Amendments, in Committee, when we hear others make their briefs on behalf. I can tell you, Mr. Speaker, that some of the briefs that we have heard on other bills in recent days, I want to say, Mr. Speaker, I am not going to say to the Minister that I support this bill totally, because far from it. Rather I will leave my reservations on this thing for the present moment, but I would look forward to seeing this bill go to Committee to hear briefs and find out what others in the province have to say about it.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I will be very brief. I see the Minister is running out of the House but I'm told that he will be back pretty soon. Perhaps he can read in Hansard, I will not be long, perhaps a couple of minutes, and maybe the Minister could consider my suggestions that I have to offer on this legislation.

I am sure that nobody denies that there was a requirement for some type of legislation in respect to control of land that was being purchased by many of the foreign buyers, not for the purpose of farming, but perhaps for investments. In fact, I would be concerned that some of the landed immigrants that come here would not be able, or some of the European people that want to come here and farm here, I think those people we should welcome. Because I think that some of them that have come up here could be looked at as extremely good farmers. When they come into a small town and purchase half-a-million dollars worth of farm equipment in one shot with that kind of capital, I think it does something to the small community. Perhaps their expertise — it may be worthwhile to have that type of a farmer. So I hope the legislation wouldn't do anything to preclude those people from coming because they are good farmers. At least some of the ones that I know that have come and are farming are really good farmers.

On the other hand, I am concerned with the ones that strictly want to invest some money and it's no secret, I talk from some experience, that I have talked to some of these people from France and Italy and so on. In fact, in communication some of them said that they're professional people. They have no intention of coming to farm at all, but they want to invest their money. And I believe that some legislation is necessary in this area.

It is not something that we are legislating, I believe, against Canadians. I think that it is a phenomenon in North America that many states in the United States are bringing in legislation, perhaps against the European investor who is not coming here as a landed immigrant to farm, but strictly to invest in land because land is the safest investment anyone can make. It always has been and will be for many years. So that's the feeling.

I know in one instance where the farmer was offered as much as 800 per acre as long as the purchaser would be able to buy 2,000 acres in one parcel. The farmer said, "Well, it is probably twice as much as the land is worth at the present time. In fact I would sell, but I just don't want to leave the farm. I like farming. And even if the offer was 1,500 an acre I perhaps wouldn't sell." So some of the buyers are coming in, the money is irrelevant. Of course, I am strictly talking about the investors, not the ones that are intending to farm. The ones that are coming to farm, they know the land pretty closely. They have maps, soil samples. Even on a section of land they have different soil samples, and are pretty able capable farmers.

My concern is, should the legislation have gone as far as it is at the present time. The point that I am trying to make, in the first stage when the Minister brought the legislation in, maybe it should have been only applicable to the foreign investors or the foreign buyers, and not the Canadian population as a whole. Because even the legislation that has been accepted and passed, I believe, the House of Representatives and the Senate in Minnesota, it doesn't apply to their people in the United States. It is applicable only to what they call foreign alien buyers, somebody that is out of the cotry completely. So maybe in the first step the Minister could have looked at that course of action, because I don't believe that there were that many city people or Canadian people buying two sections or four sections of land, or investing strictly in land, because if you don't farm it yourself, it's not a good investment. —(Interjection)— The Minister says that's no problem with those people, so if that is no problem with those people, I would hope that he wouldn't have brought in the legislation to preclude. If that would have been a problem, say two years down the road or five years down the road, and say that it is a factor, perhaps the Minister would have considered that type of legislation. But at this stage, in my opinion, it appears somewhat obnoxious, because as a Canadian, as a Manitoban, I was raised on a farm and I may want to go back farming someday. I'm limited to buying half a section. One section. —(Interjection)— I have to become a farmer before I can buy more. Mr. Speaker, I have to become a farmer before I can buy more than one section. All I'm saying to the Minister is, why shouldn't he give consideration, would he consider, and the government — fine, bring in the legislation that many of the States in the United States are bringing in now, of their concern about many of the European investors and buyers, and they're not bringing in legislation against their own citizens in the United States. Perhaps maybe we could have brought in something along the same lines. Maybe ten years down the road, or five years, it may not appear that way, but right today, you talk to many people and they say, well look, I'm a Manitoban, sure I'm not a farmer, I may farm someday, why can't I buy, if it's available to me, why can't I buy a section of land. —(Interjection)— Well, he can buy a section again, but not more.

Today, to make a farm an economic unit, a section of land is not an economic unit. —(Interjection)— That's not true.

MR. SPEAKER: Order please.

MR. PATRICK: The Minister says the average size farm in Manitoba is what, half a section? Just over a section. But Mr. Speaker, the Minister will have to come to a realization and to accept the fact that not any longer the farmer will be able to stay and have an economic unit on a section and a quarter or a section and a half. In fact, those days are past. I feel that the farmer, —(Interjection)— I'm certain, I've listened to — let him go talk to the University Professor, what is it? Agriculture Professor Gilson. I've listened to quite a few farm economists, Manitoba farm economists, this is their business, and they've said, look, we have to sooner or later accept the fact that you can still call two sections of land, a family farm economic unit. He says we're kidding ourselves when we say we can grain farm on a section, or half a section of land. He says those days are gone.

The Minister is trying to persuade me and indicate that a little over a section is still an economic unit. I think sooner or later we'll have to accept the fact that it's not an economic unit, and the family farm will have to expand, and the family farm will have to become a business operation. Otherwise, he won't be able to. . . —(Interjection)— Well, the Minister of Agriculture perhaps is a different type of a farmer. He's not a grain farmer. He could be a vegetable farmer or a potato grower, but for a grain farm economic unit today you have to accept that you need two sections of land. And I think the sooner it's accepted, the better it'll be and the farmers know it. I'm not a farmer, but I hope to hear from some of the farmers, and I'm sure that they'll agree with me that you have to have at least two sections to have a pretty good grain economic unit. —(Interjection)— Sure, perhaps in some areas where the land is not so good, you'll need many more.

All I'm saying to the Minister, and requesting him, is to give consideration at this stage, perhaps to have it not apply to say, Canadian citizens, or Manitoba citizens, or whatever he wants, but to apply the foreign alien who is not prepared to come here and farm, and if it's a problem two or three years

down the road, perhaps we can look at it again. The point is that it hasn't been a factor, it wasn't the local people buying their own farming, it wasn't the local Canadians that were investing in the land because the return is not there. They weren't the problem, so why legislate them because I still feel it's legislation that appears — it may not be — there may be reason for it, but it appears obnoxious for the simple reason that as a Canadian, I cannot buy more than one section. Why couldn't I buy two sections? That's the only request I'm making of the Minister on this bill. — (Interjection)— Yes, yes. Somebody says are you going to support the bill? My colleague, the Member for Portage, spoke on it and he indicated to the House quite strongly that he's in favour of the principle of the bill, and I believe most members who spoke said they were in favour of the principle. Mr. Speaker, that deny me the right to stand up and ask the Minister to give consideration to my request.

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

MR. USKIW: Mr. Speaker, I would like to ask the Member for Assiniboia for some clarification. He had indicated that Canadians generally, and in particular Manitobans, would really not be involved in land purchasing for speculative reasons or whatever, and therefore the section relating to Canadian ownership control is not necessary. I'm asking him, that if that is the case, then that section also does not hurt anyone, since they wouldn't be doing it anyway. Isn't that correct?

MR. PATRICK: I would be quite happy to reply. It may not hurt anyone, that's true. But at the same time, when you're putting that into legislation, which to some people appears to be obnoxious, because they feel that even though I may not buy land today or tomorrow, there is some discrimination intended and some day when it will be an accepted fact maybe, that people that don't want to farm should maybe not own land, farm land. That's fine, but at least at this stage, there is that feeling that, I'm a Canadian, why should I be discriminated against. At least the states in the United States aren't doing it, they're not discriminating against their own people. So I feel at this stage, even if, maybe down the road if it's required, the Minister could have looked at it, fine, I have no argument. But I'd say, at this stage, maybe it wasn't necessary in the legislation.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Agriculture. The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, I have a few comments I'd like to put into the record regarding this legislation. The matter of the bill aimed at reserving the ownership of land, the remarks of the Minister when he introduced the bill says it's to be reserved for Manitoba farmers only. The other section of the bill that places a restriction on the amount of land that may be purchased by persons who are not farmers, certainly deserves consideration. The other section, of course, of the legislation which says that foreigners and corporations will be prohibited from acquiring more than 160 acres of land in this province, while Canadians who are not farmers may acquire up to 640 acres of land, of course, is the one that concerns me and the other section of the bill which I'll deal with.

I think we have all kinds of evidence in this province of foreigners who have come in here in the last ten years, and some of the best farmers we have in this province today are foreigners. Why, as of a certain day and age which is 1977, we can stand up and say that they're going to be penalized. I think you only have to look at the story in the February issue of the Agra News which shows Mr. Pierre DeVorne and his wife who came here from France some seven or eight years ago, French extraction. Now they have some 1200 acres of land, they have what — 250 head of cattle? A 1200 acre farm with 300 head of dairy and beef cattle, progressive people, positive, and good citizens. So that I hope that the Minister when he's talking about foreign ownership of land, will bring more information to the committee and to the members of the House so they can deal with it fairly and squarely, so that the legislation doesn't eliminate these type of citizens. — (Interjection)— I well recognize that the Minister has had a severe setback from having tangled with those beef producers not so long ago. One would have thought, you know, that he would have layed down and bled awhile, or he would backed off and started talking to the farmers about some of their problems today and become more conversant with the farmers in the province. Or he maybe would have set out to establish ways and means where he would have again become the champion of the farmers in this province, which he should be as Minister of Agriculture. Their winner, their leader, the one that they could trust, and the one they know that would move them ahead in this province without fear.

But Mr. Speaker, he doesn't follow that plan, nor does he have the trust of the farming community in this province. No, he tools up and he puts his arm around, and he comes in with this Bill 56, which we have before us. It's quite possible that before it's all over, he's going to again be abused somewhat by these same farmers, or these beef producers that he tangled with not so long ago.

The Farm Lands Protection Bill came about as a result of the hearings that were held around the province and the Committee of the Chamber. I think the theme of that Committee or the comments that I saw from some of the members of the committee, maybe it was the Minister, they would do their share to stabilize the rural economy, and I believe protect the agricultural community from being disrupted by the activities of speculators on land, or words along those lines. I think that's a fair judgment, Mr. Speaker.

But the Minister, somehow, Mr. Speaker, which I don't understand, wants, in this bill, enough power put in his hands so that he can either challenge, or he can discourage absentee landowners, or he can bring people who are pushing, he thinks, maybe pushing up the prices of land, or he can decide which young farmers are going to be farming today, or these absentee landowners which he's talking about, these faceless characters — I suspect that the government themselves are absentee landowners in some of the policies that they've been implementing in the province today, with their Farm Land Program.

I don't see the difference between the government and absentee landlords, which we're criticizing. Mr. Speaker, those are very fair and worthy comments. I think we have to deal with them in this legislation to have a better understanding, so that when we do finally finish the bill off, it will be one that will be meaningful and will give us some direction in this province.

I think every citizen is joining in the case that we're dealing with in the legislation. I haven't heard anybody saying that we're not. And that is, to put young men and young women on the farm, so they can produce more and more food, at a price, and get a farm that they can well afford. I think also, Mr. Speaker, we all agree that Canadian citizens should have the first choice to meet that challenge to produce fair food at a fair and equitable price.

But on Page 2 of the Bill here, Mr. Speaker, where it comes under the termination of principal occupation. Many people in my constituency have expressed concern with the termination of principal occupation.

I wonder, as the Member for Sturgeon Creek raised this morning, have we got to the stage where the Minister of Agriculture in this government is the only one who can determine who will farm? The Minister of Industry and Commerce is the only one who can stand up and say who can be a businessman? The Minister of Northern Affairs can say who's going to live in the north; or the Minister of Urban Affairs is the one that's going to decide who's going to live in the urban communities. That's been the direction of this government, where they're going. They think that they're some special person, that have all the powers and authority, can meet all these challenges, and I say, Mr. Speaker, they can't. Because there is a lot of mistrust about this Minister of Agriculture that we have sitting before us today, Mr. Speaker.

We only have to revert back to the struggle he had with the beef producers; the conflict that he's in now with my friend, the Member for Gladstone; his own problems now of being a land speculator, he's bought land and he's in the speculation of land, Mr. Speaker . . .

MR. SPEAKER: Order please.

MR. McKENZIE: Mr. Speaker, I have a problem in my constituency today where a certain farmer, all of a sudden one day he lost his . . .

MR. SPEAKER: Order please. The Honourable Minister state his point of order.

MR. USKIW: Mr. Speaker, the Member for Roblin alleges that I, in my personal activities, am involved in land speculation. I simply want to put it on the record that I am not.

A MEMBER: He's completed the deal.

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

MR. McKENZIE: Mr. Speaker, I can only go by what I read in the papers.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: On the same point of order . . .

MR. SPEAKER: There was no point of order, it was a matter of explanation. The Honourable Member has a point of order?

MR. ENNS: Yes. The point of order is that regrettably, the whole question of one member's or another member's personal land involvements has come out because of the Minister's and the government's decision to use the land holdings of Opposition members when it chose to suit them politically, like the . . .

MR. SPEAKER: Order please. The honourable member, too, does not have a point of order. The Honourable Member for Roblin.

MR. McKENZIE: Thank you, Mr. Speaker. The subject is germane, Mr. Speaker, and it's live, and it's well known across the province that the Honourable Minister did buy a certain parcel of land at a price, and certain roads were improved, and now the property has, — well, it's ten times its original — I don't know whether you call that speculation or what, capital gain, or what, but nevertheless, it has been alleged that the Minister is the person that's involved.

I also had an incident across my desk not so long ago, where a certain farmer in my constituency lost his grazing rights all of a sudden, I think on the 27th of April. I directed the thing to the Minister for investigation, and I still don't have a reply as to why this late in the year, a man who is in the Beef Stabilization Program, a man who's in the cow-calf operation in conjunction with the Minister, all of a sudden he loses his grazing rights.

I can think of an Order for Return that I put in last year for the Minister on the feed program that is taking place in my constituency, under his jurisdiction. So I wonder, Mr. Speaker, how the Minister can ask us to give him the authority that he's asking for in this legislation, when he's proved, time and

time and time again, he can't handle that portfolio. Nor does he have the ability to be the Minister of Agriculture in this province. Nor do the people trust this Minister in this province, Mr. Speaker.

So the powers that he's asking for in this bill, Mr. Speaker, are going to be challenged. I, myself, Mr. Speaker, can't accept a bill that puts this kind of discriminatory power in the hands of that Minister. I don't see how anybody else in the province can either. Most rural MLAs who have constituencies and have had to deal with this Minister, are as concerned as I am with some of things that we've had to deal with.

The other thing, Mr. Speaker, I think there is nobody that's more concerned than the rural members, who understand the problems of the young people today, who combine other jobs with farming. It's not too unusual if you travel around the rural areas of the province today, Mr. Speaker, to find young people who start farming that way. They somehow are maybe raising a few cattle on the farm, or some hogs, and so they're working in town in a machine shop, or they're working in a garage, and they're working together to create enough dollars so that they can finally buy or own the family farm. Now, supposing that young man today, who is working in town as a mechanic in the garage, and he wants to buy another half-section to add to his three-quarter section, which he already has, he can't do it. He is restricted in owning more than a section of land, as I read it, unless the Minister can give him special rights. He can't own more than 640 acres under this legislation, Mr. Speaker, and I think that would be . . . What would the Minister do in a case like that, of a young chap who was working in a machine shop today, or in a garage, and wanted to acquire another half-section to the three-quarters that he already owns?

Suppose this farmer was losing money on his cattle and he was losing money on the hogs that he was dealing with on the farm and so he had to go to work and then he would become a non-farmer. I wonder, would this land end up possibly being owned by a Crown agency or where in this legislation do we find that there is relief for that type of a problem?

The other thing, Mr. Speaker, I'm concerned about is the appeal section of the bill, the appeal from the order of the Minister. A farmer who spoke with me only this morning on the telephone had said he and his neighbours are very very unhappy with this section of the bill. And of course it says the problem is, Mr. Speaker, that anybody that is dissatisfied with an order of the Minister may appeal that decision within 30 days to the Judge of the Queens Bench Court, who after hearing that decision, the decision is final. There is no appeal.

Now I wonder, we have the services of all the higher courts in this province and across Canada, why would the Minister restrict that only to the Queens Bench Court. Are the farmers not the same type of citizens who could enjoy the rights of the Supreme Court? Are they second-class citizens who are dealing with this legislation? Or would the Minister maybe come back and tell us in second reading why are we dealing only with the Queens Bench Court in this legislation? If somebody wishes to appeal it to the Supreme Court, why could he not carry on that way?

I find it's almost impossible to support any bill, Mr. Speaker, that destroys the rights of an individual in this province, and I think any citizen has the right, if he wishes, to go to the Supreme Court, he should be entitled to go to it. Even if the Minister and his staff were to conduct an investigation to see if a citizen has been in contravention of the Act after having acquired land as a person or a corporation, I still think that they should have the right to appeal to the Supreme Court.

So I say, Mr. Speaker, that the bill takes away much of the freedom of the individual and of course that is standard NDP procedure which we are seeing in both bills.

We dealt with it last night, Bill 18, where the Minister of Labour came in and pretty well destroyed the rights of the small businessman in this province and there have been others . . . the bill we are dealing today with, this one and others, which is typical of this government, of their philosophy of the big heavy hand of socialism moving down and crushing the little people.

So it's not our way in this bench to practise democracy in Manitoba; it's not the way that democracy should work in this province. I think we are still a free people in Manitoba, Mr. Speaker, but our rights are slowly but surely being slipped away by the socialist crowd that sits over there, by the heavy hand of this great dream that they have that they want to own everything; they want to control everything. Their Ministers are supreme. The Minister of Labour wants to build himself an ivory tower so that when he leaves here, this time-and-three-quarters, there will likely be a statue someplace in his honour. The Minister of Agriculture, he's not going to be here after the next election, so now he wants to leave us some little thing. Well I say, Mr. Speaker, we have to have a lot more information than we have at the present time with this legislation before I think it would be acceptable to the people of this province. So I sincerely hope that the Minister will bring forth many amendments so we can make a legislation that we can agree with.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON: I move, seconded by the Member for Morris, that debate be adjourned.

QUESTION put, MOTION carried.

Wednesday, June 1, 1977

BILL (No. 77) - AN ACT TO AMEND THE PENSION BENEFITS ACT

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Bill No. 77 please, Mr. Speaker.

MR. SPEAKER: Bill No. 77, proposed by the Honourable Minister of Labour. The Honourable Member for Pembina.

MR. HENDERSON: Mr. Speaker, I adjourn this for the Member for Crescentwood.

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. WARREN STEEN: Mr. Speaker, I have a few comments regarding Bill 77, An Act to amend The Pension Benefits Act. There are some points contained within this bill that I feel are going to make some improvements within the pension benefits area. A few points that I would like to make note of are the vesting privileges where we have persons who are living outside of Manitoba moving into Manitoba, or Manitobans leaving Manitoba and who are going to be protected under this Pension Benefits Act and protect their future pensions in a better way than they have been in the past.

Another area within the bill, Mr. Speaker, is the integration of pension plans. Currently most persons contribute 6 percent of their gross earnings to pension plans and yet 1.8 percent is paid into the Canada Pension Plan. Under the integrated pension plans between public and private pension plans, it's likely in the future where we are going to have the Canada Pension taking a greater portion of the premium or the funds put into pension plans and we've got to protect the person who is in the private pension plan. We've also got to be fair with the private carrier of private pension plans so that if the private carrier in the future is going to get a reduced percentage, therefore the private carrier's responsibilities in the long run will be somewhat reduced.

The Minister, in introducing this bill, has placed within the bill a formula wherein the private pension plans can have their responsibilities reduced. I'm not sure whether the formula is actuarially sound or not; I trust that the Minister has had it tested by actuaries and therefore will be acceptable.

One area within this bill that I would suggest the Minister might make a change and that is on the very final page, the Report 'on Late Payment and I spoke to the Minister over the noon hour regarding this and the reason why this has been suggested, I'm sure, is because of the car dealership in Winnipeg that went broke last fall and many persons who were employees within that car dealership lost some of their pension benefits. What has happened in that particular incident was the car dealer wasn't keeping up his payments into the pension plan from the employer standpoint on behalf of the employees, and got somewhat behind. The Minister is suggesting that where a person as an employer fails to make a payment on behalf of the employees to the trust or the company carrying the pension plan and the payment falls in arrears by more than 30 days, that that pension carrier or trust should notify the Superintendent of Insurance or the superintendent covering pensions.

Well, my suggestion to the Minister would be that he change the 30 days to 60 days because many employers do pay their payments approximately 35 days late or behind what should be the on-schedule target date. I can foresee the Department of Insurance locally here in Manitoba being flooded each and every month with many notices from trusts and pension firms saying the ABC firm is late with their pension contributions on behalf of their employees. They are only late a matter of a few days and I'm sure each and every one of us are late a matter of a day or two in paying his or her bill, whether it be at a department store or whatever the case may be. I think it would be a more equitable arrangement for the Department and the Superintendent of Insurance in Manitoba to make it 60 days. If they find out that too many pension funds are getting behind even with 60 days, perhaps amend it in the future, but for the many many persons that are late five and six days because this is their method of bookkeeping and they are not really trying to beat anybody out of a few dollars, I think we are going to see a lot of paperwork transpired within the department that could perhaps otherwise be unnecessary.

So my suggestion would be, to the Minister, that he give some thought to changing that particular aspect of the bill to 60 days from the current 30 days.

But I believe that the vesting changes, the changes that they are making in regard to integration, the permission to permit pension funds to reduce their amounts that they would pay in the future providing CPP increases so that the 6 percent and the 1.8 stay in proper balance, I go along with. I like the idea where people that are on pension currently, a person who is retired now — and it's back-dated to July of last year — where if CPP and Old Age Assistance is increased in the future, that their pensions from the private carrier, whoever their employer was in the past, cannot be reduced in the future. I think that is a good safeguard although I don't think there is any pension fund that do do that, but at least this bill now legislates so that they could never ever think about doing it.

So therefore, Mr. Speaker, I would suggest that the bill go on to Committee.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, in rising on this bill, we wanted to make some of the same comments that the Member for Crescentwood has already made concerning more specific details of the bill so I won't take the time of the House to go over it much further in some of the questions that

were raised.

I did want, though, to pose a couple of perhaps broader questions to the Minister concerning the implications of this bill and others that have been brought in. As I sat back and looked at the rate of legislation that we've been bringing in the pension area since we changed The Pension Benefits Act last year, there have been a number of changes in the Civil Service, Teachers Benefits, and now a bill affecting private pension plans. All this is taking place, Mr. Speaker, against a backdrop of what I guess the Financial Post called in an article about four weeks ago, "The Pension Crisis in Canada." Because what we are now discovering is that increasingly the pension plans, both private and public, are basically under-funded and that the projections are that by 1980, which is not that far away, or 1981, that many pension plans that have been working on a pay-as-you-go basis, are simply not going to be able to provide sufficient retirement income for those who thought they were going to have it.

Part of the major problem of that is the lack of indexing. As we know, there have been some changes to bring indexing into pension plans, but in the report that the Science Council has just completed, they say: "Taking into account all the problems of getting proper increments into pension plans," they say, "unfortunately, with the present rate of inflation, early retirement is likely to be a financial disaster to anyone who does not have a pension indexed to the cost of living."

Now that was problem number one and I hope that the Minister might raise this question because there are large numbers of people who are going to be dependent pretty much upon fairly small private pension plans lying above the base of the CPP and Old Age Security. The projections in this report by the Science Council show that the purchasing power under our present rate of inflation, not even the exaggerated ones we had three years ago, but at the present rate of inflation around 7 or 8 percent, that the purchasing power will be reduced by about — over a period of four years — by about 40 percent, which means that those who have tried to provide for some investment, in the very near future are going to find themselves with a false sense of security.

Partly that's a problem of underfunding, and I think that the question that we would really raise from our side, is that it may be time that we should be placing these different initiatives and pension changes against a larger backdrop of what is it exactly going to need in providing a degree of security for those who are entering retirement over the next 15 or 20 years. Because the problem, Mr. Speaker, is that if you are relying on a pay-as-you-go system under pension benefits, the population figures also show that within a very short period of time the numbers of people who will be dependent upon the work force — if you look at the age group at one end of the spectrum, the young people, and at the age group at the other end, the older people — will outnumber the work force. There will in fact be more people sort of acquiring public support or pension support than there will be people paying taxes to pay for it. — (Interjection) — That's right, and if they take 1 ¾ percent, then we'll even have less to work with . . .

That is now becoming very clear and I think, Mr. Speaker, I would want to compliment the Economic Development Advisory Board which is a Crown agency or one of the committees of the government, for holding what I thought was a very interesting seminar last fall on this whole question of an enquiry into the future of public and private pension plans. And as you start reading through the lines of this report, frankly, Mr. Speaker, it scares the hell out of me, because again it really points out — as the percentage of older people in our society increases they stated figures Manitoba by the way, is an old . province. If you look at the figures, we have a higher percentage of older people here than many other provinces do. That's probably partially . . . — (Interjection) — Or will have a consequence of a large number of our young people moving out.

We are basically an old province as far as the general arrangement across the country is concerned, and it's going to get older as time goes on. We are now heading into a situation where about 14 percent of our population will be over the age of 65 within a matter of one to two years. — (Interjection) — That's right, and being over 65 does not necessarily mean that one is senile and I agree with the Minister on that. I think that that is too often a judgment that is made in haste about that, and I'm sorry for that. But the fact of the matter is that the kind of compensation that will be available for those who are in these areas is one that really means that even with all the legislative measures we are now bringing in to change the pension plan, the question is going to be, is there going to be enough money to pay for it? Frankly, Mr. Speaker, going on present arrangements, I don't think there will be. We should not only be looking at questions of portability, investing and locking-in and integration, we should be looking at where is the money coming from? Because the estimate that this seminar arrived at — and this is the one that scares me — said that if we were to get proper private pension plans based upon the present actuarial figures, that some employers would have to increase their costs by 30 percent to bring them up to maximum.

The Minister of Health and Welfare at the federal level, in dealing with the proposal by the Canadian Labour Congress saying that they wanted to bring the CPP up to 75 percent of income by 1980, said that that would be an expenditure of what was it, \$5 or \$6 billion — enormous sums of money — which we simply say that, with every other kind of demand upon it, we can't afford.

So what the evidence is beginning to build up — and this is really the question I would like to raise with the Minister — slowly but surely the evidence is beginning to come to the door that with all the changes that we are making in the legal requirements of both public and private pension plans, there simply will be not enough money available in the till to pay for them. What we have been doing is we have been really borrowing against the future. We have been developing through the CPP different kinds of plans where the capital investments under CPP have been given to the provinces for investment purposes at around 8 percent. They are pointing out that that will come to an end in a matter of about two years and that the drain on the Federal Treasury, simply to keep up with Canadian pension plans, will be assumed to be \$1 billion a year, just to keep up with, again, their pension benefits.

So again, that's another piece of evidence that has some important implications. The first one is perhaps the most direct and the most human and that is that people who are now working or are very close to retirement, assuming that with all these changes going on in private pension plans, that they will have a degree of security in their old age, will find to their shock and to their sorrow and to their sadness that within one or two years after retirement that the funds will not be there; and that with all the protections that they expected were built into the plans they simply will not be able to be funded properly; and that there will be a number of steps taken — and I don't like to predict this but I can see it coming — where government and private employers themselves will be simply saying in a matter of a few years, "Sorry, we can't pay those pensions, we don't have the current revenue to do it with." And that's going to happen, Mr. Speaker, believe me. You know if all the people who work in the pension fields are right, then they are simply saying that we are really getting to that threshold within a matter of three or four years where the funds will not be there.

So all of a sudden people who have been basing their whole future of retirement upon certain securities that they've been given, will find out that those securities are built upon pretty shifting sands — shifting sands being the amount of current revenue the government has or the employees were prepared to buy — and then that has the kind of consequences which we are now seeing a lot of evidence of, and that is the situation where the basic demands for necessities like housing and food begin to take up more and more of that income, and that older people are forced to cut back. It creates the kind of division in society where I can recall a conversation I had with a couple of gentlemen over on Edmonton Street just a couple of evenings ago, where they were pointing with some degree of envy to the new public housing project that was built just down the door from them, saying how do we get in there. Because these are gentlemen who have, all their lives, been I guess what you'd call maybe middle income, lower middle income, they've never had a subsidy in their life. They've always been looking after themselves, self-sufficient, now they are simply finding out. One of them pointed out to me he is paying 45 percent of his pension income for rent; and even on the rent control that's going to go up another 7 percent.

He's simply saying that the only recourse for them is to get themselves into a highly subsidized public housing project, which is going to cost us an awful lot more money, in other words there is no way of cutting the pie any smaller. You're either going to pay it out in pensions or you're going to be paying out in heavier housing subsidies. However you pay it, there's going to be an enormous demand upon those pension funds. Now that is one question.

The second one raises the issue of what to do with the spouses of deceased people on pensions. We are, I think, Mr. Speaker, caught and will be at least for another ten years or so in the kind of situation where the ability of a spouse to get full claim upon the pension benefits from her deceased partner — or his deceased partner as the case may be — is going to be highly limited, almost non-existent. Perhaps only 50 percent of the pension benefits will come their way.

Now a 50 percent cut on what was a meagre pension to begin with, is a drastic cut in the cost of living. I mean drastic to the extent where the whole life style is totally disrupted, and where a number of very serious oppressions begin to occur; having to move from the place you've lived; not being able to support the kind of things that you've been used to; and all of a sudden finding yourself placed in a very different position than you have before. That is again becoming part of the problem and, Mr. Speaker, we would all like to be able to solve it. There's a number of senior citizens' organizations saying you have to solve it.

But again when you come back to that fundamental problem of where is the money coming from, it does raise a position. So, Mr. Speaker, in looking at this bill the question that kept passing through my mind is — you know we've just finished passing changes to The Teachers' Pension Act, The Civil Service Superannuation Act, what's the number of dollars that we're talking about? I would have liked to have seen some calculation of amounts of dollars that we are talking about, to bring some of these into effect, to bring the vesting arrangements into proper alignment, to do the indexing, which I think I agree with, it has to be done. But we should be at this stage in the province, because I think the Premier said in 1975, pensions are very much within the area of provincial responsibility. I think that's in Hansard sometime in 1975.

It is not something that we can palm off very easily. We have taken the responsibility for it — the

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Premier has — it therefore means, Mr. Speaker, that we should have perhaps at this stage after we've passed these particular pieces of legislation, the next step for the government in its pension program would begin setting forward some assessment and analysis of what the pension requirements are going to be; what the funding requirements are going to be; and how we can begin sort of balancing it out. I wouldn't even pretend to try to answer that. I think it takes a degree of skill far beyond the ones that I have. But I want to raise those questions with the Minister, because I think they flow directly out of the pension legislation that he's introduced. I think it is basically useful legislation and will make a change for those who benefit from it. But I hope we are not developing a series of false hopes on the parts of people simply on the basis that with all this on the books, the question is, where is the money in the bank?

MR. SPEAKER: The Honourable Minister of Labour shall be closing debate. The Honourable Minister.

MR. PAULLEY: Mr. Speaker, I want to thank the two speakers this afternoon for their contributions. I would like to make one or two comments regarding the remarks of the Honourable Member for Fort Rouge. I sincerely trust and hope, and I'm sure that he does too, that the prediction he makes, as to the state of pension funds sometime in the future, is wrong. That we will be able to so organize payments into pension plans and that the economy basically will improve that there would be no real fear of the lack of availability of the dollars required to ensure that those who have been making contributions into pension plans, will be able to continue to have their pensions.

I realize, as he does, and I'm sure other members too, that predictions are rife today that economists and pronosticators and prophets are all continuing to almost extend into the distant future the trend that we're going through now of ever escalating costs and devaluations of the dollar value of our contributions.

My honourable friend mentioned that in the last few years we have had, Mr. Speaker, before the House, changes in our pension plans, and he sort of related too, in his remarks, the matter of evaluation as to where we were going in pensions and pension plans.

I want to indicate to my honourable friend, as the Minister responsible, basically, for the Pensions Plan Act, which incidentally is a new Act and it's normal for the first year or two when there is a new Act, that new thoughts such as introduced in Bill 77 are forwarded to the Assembly in the light of gathering data and also experience from time to time.

Insofar as the Civil Service Act and the Teachers' Pensions Act, one of the reasons why we have them back with us this year, after having dealt with them last year, was so that we could do precisely what the Honourable Member for Fort Rouge indicated, have an evaluation as to the dollar input into pension plans and to have an assessment as to future values and the stability of the funds.

Last year, my honourable friend may recall, that when we brought in the amendments to the Civil Service Act I indicated at that time that between then and now we would be making an evaluation and an assessment as to possible requirements of greater contributions from our present employees, and also whether or not we could arrive at a more stable formula for future cost of living additions to the pension.

I would suggest to my honourable friend that we are doing, maybe not all that some would desire us to do insofar as stability of pensions are concerned, and evaluations, but that is an ongoing process within the department.

What are the alternatives? Well really, Mr. Speaker, more people, as I see it, are becoming participants in pension plans. To me, the alternative can only be that if we don't have stable pension plans, one of the alternatives is for individuals, that they will have to work until they die, providing they can have jobs, or continue in employment rather than through decently based pension plans, or that if their pension plans lose their value, then surely Mr. Speaker, the state would have to supplement their income in order to provide a reasonably decent living for them.

So it is an area, there is no question or doubt about it, Mr. Speaker, it is an area of grave concern. My honourable friend, the Member for Crescentwood, suggested to me just a moment or two ago, that I should read — and maybe I should make this an announcement — that I should read an article in this month's Reader's Digest dealing with our own Canadian Pension Plan and an indication that in 1981, we will be about \$6 billion short in CPP funds.

This is the type of thing that we're doing. I must confess that that's why during the session I haven't had time to read Reader's Digest. Possibly in a couple of weeks or two, when we get out here, I might be able to.

I want to thank, also, the Member for Crescentwood for his constructive comments on the bill. I'm glad to find, Mr. Speaker, that sometimes there is some legislation that I introduce into this House that receives some favour from across this blue carpet. The constructive criticism of the Honourable Member for Crescentwood and the Member for Fort Rouge is deeply appreciated by a senile old man.

I do want to say to him, as I indicated in the conversation he referred to that we had over the luncheon hour, changing the provision of the 30 day report to the Superintendent of Pensions to 60, I think that the member has a reasonably logical suggestion, and I want to assure him and the

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Assembly that I have already asked, within the department, to have caused a look into the effects of that proposition.

Mr. Speaker, I do again say that I think we are trying to have, in our province, protection for private plans. I think that we have, in our province, some of the best pension plans in respect of our Civil Service and our teachers. In conclusion, Mr. Speaker, I hope —(Interjection)— Well, no, but you don't have to worry about it as a banker, or an ex-banker. The coffers of the world are theirs and they don't have to give a darn about levying taxation, all they do is increase their fees for safety deposit boxes and the likes of that —(Interjection)— and decrease the money supply, as my colleague the Minister of Agriculture states.

With those few remarks, Mr. Speaker, I have an engagement or had one at 5:00 p.m. with my doctor, who is trying to extend my longevity so that I can have some benefits of the Legislative Assembly Pension Plan, so with those few remarks, Sir, I thank the members for their contribution. I recommend the bill into Law Amendments, and I think it is a progressive step.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: Mr. Speaker, there originally was an inclination to adjourn and to go into Law Amendments. I think though, Sir, that it would be appropriate, that rather than going into Law Amendments, that the House adjourn until 2:30 tomorrow afternoon. Accordingly, Sir, if it's required, I would so move, seconded by . . .

BUSINESS OF THE HOUSE

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. THOMAS BARROW: Mr. Speaker, I'd like to make two changes on the Statutory Regulations Committee. The Member for St. Johns will replace the Member for Ste. Rose and the Member for Churchill will replace the Member for Point Douglas.

MR. SPEAKER: Agreed? (Agreed) The Honourable Minister of Labour.

MR. PAULLEY: I'm not sure whether I have to make a motion, Mr. Speaker. Will you call it 5:30, please?

MR. SPEAKER: Very well. The hour of adjournment having been agreed upon, the House is now adjourned and stands adjourned until 2:30 tomorrow afternoon.