

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
10 a.m., Wednesday, June 9, 1976

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees, Ministerial Statements and Tabling of Reports. The Honourable Minister of Mines.

REPORT ON HOUSE PROCEDURE

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker. Relative to proceedings of the House, I understand that the Industrial Relations Committee finished with briefs and are ready to consider the bills before them clause by clause. And what I'm going to suggest is that this be done as soon as it becomes convenient, that is if there is a completion of activities in the House, we will go into Industrial Relations Committee. If there is not, then we will wait until that occurs; it could occur today, it could occur tomorrow. But as soon as it becomes convenient, there will not be need to give any public notice because we are dealing with it clause by clause, that we would then go into Industrial Relations Committee.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; Questions. The Honourable Member for Portage la Prairie.

ORAL QUESTIONS

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I address a question to the Honourable the Minister of Agriculture. Is the Department of Agriculture through the Minister actively supporting the Grain Stabilization Act, which was put through by the Federal Government.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, this particular legislation has been the subject of fairly extensive debate over four or five years. As a matter of fact the Government of Manitoba played a role in influencing its withdrawal some three or four years ago, after which new amendments were brought in which improved the legislation to our advantage, that is the prairies in particular, which we concurred in; although we are not completely satisfied with it, we feel that it's a step in the right direction, yes.

MR. G. JOHNSTON: Mr. Speaker, another question to the Minister. Is the Minister or his Deputy instructing the Ag Reps to assist in explaining and encouraging farmers to take advantage of the Grain Stabilization Act?

MR. USKIW: Mr. Speaker, that is a rule for the Government of Canada, I don't see the provinces being involved in that way, in that really it is a matter of judgment on the part of the individual farmer as to whether he deems it advisable to enter the program or not, there are risk factors as you may appreciate. So I don't think that we would want to be in a position of advising one way or the other, although I am prepared to indicate that the legislation as it is now is much improved over what was originally introduced, and we have supported those improvements, but it is not the kind of legislation that we would introduce had we the job to do.

MR. SPEAKER: The Honourable Member for Arthur.

MR. DOUGLAS J. WATT (Arthur): Mr. Speaker. I direct a question to the Minister of Agriculture. I wonder if the Minister could indicate if he is withdrawing from the Grain Stabilization Plan himself as a farmer.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Well, Mr. Speaker, to put it in prospective, I think one has to recognize how the plan works. It would appear to me that, as was not the case four years ago when we objected, that we have now had a series of good high priced years in the grain business, and there is some logical expectation that should the market face a downturn in the foreseeable future, that that would trigger a payment. So that's the way I analyse it and I would think it might be prudent to participate in that regard.

## ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q.C. (River Heights): Mr. Speaker, my question is to the First Minister. When he introduced the Corporations Capital Tax Act, the First Minister indicated that the capital tax is deductible. I wonder if he can indicate whether any of his officials have had discussions with the Federal Government to determine whether in fact this will be the case.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, certainly there were discussions on this at the time of the formulation of the concept of the legislation. There is ample precedent for that in that three provinces in Canada have been levying this tax for a period of quite some number of years, and the expensibility of it relative corporate income tax payable is a well-known fact. I will check again with officials.

MR. SPIVAK: Well then I wonder if the First Minister will take as notice the question that he can confirm that the Federal Government will accept the deductibility of the capital tax.

MR. SCHREYER: Yes.

MR. SPIVAK: Mr. Speaker, I have another question for the First Minister, and it's in the absence of the Minister of Health. I wonder if he can indicate whether the government in carrying out its Denticare Program for children are going to allow the dental health auxiliaries to diagnose as well as treat children.

MR. SCHREYER: I'll take it as notice.

MR. SPIVAK: In the publication "Manitoba's Children Dental Program " on page 10, the brochure published by the government states: "Children's teeth are our specialty," I wonder if the First Minister could indicate whether any pedodontists, who are children dentists dealing with children's teeth, were ever consulted by the government in the arrangements for the Dental Health Program.

MR. SCHREYER: There is no question, Mr. Speaker, but that there have been meetings for the purposes of consultations. Consultation does not imply necessity of concurrence.

MR. SPIVAK: Again I ask the First Minister whether there was any discussion with, I believe, the seven pedodontists in the Province of Manitoba who are involved in children's teeth, have there been any consultations by the Provincial Government in the arrangement for its program which provides the specialty that the Provincial Government is going to provide?

MR. SCHREYER: Mr. Speaker, I repeat, there have been quite some number of meetings. I will take the balance of the question as notice - inasmuch as no notice of the question was given, I'll take it as notice now.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Mr. Speaker, my question is to the Honourable Minister responsible for Renewal Resources. I wonder if he's prepared now to advise the House to what extent financial assistance will be provided to the northern lakes' fishermen to assist in transporting their product to market.

MR. SPEAKER: The Honourable Minister of Renewable Resources.

HON. HARVEY BOSTROM (Minister of Renewable Resources) (Rupert's Island): Yes, Mr. Speaker, I'm happy to report that we will be assisting the northern fishery to the extent to \$250,000. The details of such a program will be announced this morning, a press release is being prepared and I'll make sure the honourable members have a copy.

COMMITTEE SUBSTITUTIONS

MR. SPEAKER: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Thank you, Mr. Speaker. I have some substitutions for Law Amendments. I substitute the Member for Morris for the Member for Fort Garry, and the Member for Minnedosa for the Member for Roblin.

ORAL QUESTIONS (CONT'D)

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, I'd like to direct a question either to the Honourable the First Minister or the Honourable the Minister of Labour and ask them whether they have received in recent days any appreciable volume of public or business concern over some aspects of the labour legislation now before us, particularly the Act to amend the Labour Relations Act.

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, the only answer I can give to my honourable friend is that I haven't received a great volume of correspondence, but what correspondence I have received is very laudatory and sometimes I am flattered with the verb he used in the letters.

ORDERS OF THE DAY - GOVERNMENT BILLS  
ADJOURNED DEBATES - SECOND READINGS.

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

MR. GREEN: Mr. Speaker, I'd like to proceed with the adjourned debates on second readings.

MR. SPEAKER: Very well.

MR. GREEN: Perhaps we can commence, Mr. Speaker, with Bill No - I'm looking for the bills that are standing in the names of the First Minister but I note that the members holding them are not here.

MR. SPEAKER: 87, 88.

MR. GREEN: 88. If the Member for Assiniboia is ready on Bill 88 I'd like to call that.

BILL 88 - THE CORPORATION CAPITAL TAX ACT

MR. SPEAKER: Bill 88, proposed by the Honourable First Minister. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Thank you, Mr. Speaker. I do wish to make my views on Bill 88, the New Corporation Capital Tax Act, at this time. I know that the bill was tabled only a few days ago, or towards the end of the session, and it's difficult to have the kind of time to give proper scrutiny to the bill and perhaps also some advice from other people. Mr. Speaker, I rise to oppose the bill, not because what the First Minister indicated in the Budget that the Corporation Capital Tax would not be acceptable to me or to us in some form, but the form that it's introduced in the present legislation is not acceptable, and I'll try to explain why I feel that way.

Mr. Speaker, in broad terms I believe the legislation is inflationary, I think it's unfair, and I believe it's discriminatory as well. It is a very great departure from the principle of imposing taxes on ability to pay which this government has always prided itself on. I think it is a great departure. I also believe it does violate certain liberties, Mr. Speaker, and it will be destructive in terms of new investment climate in our province. I believe it is difficult to attract new capital to this province at the present time; it may be quite easy in the Province of Ontario and Quebec where 85 percent of the industry is located because this form of tax in those provinces isn't as harsh as here in the Province of Manitoba. One of the former Premiers of this province used to say, "We have to run just to keep up with some of the other provinces to be able to attract any kind of capital," and I believe that is the case, it is difficult to attract capital that's required, because we have to expand our tax base so that we can have more revenue for roads for schools, for education, for hospitals. I think that's important. But my concern would be that whatever we do we have to be careful that not only that we may stop new capital from coming to this province but we may inadvertently have some capital leave the province. And I regret that it was tabled towards the last couple of days of the session, I would have hoped that it would have been tabled at the time when the Budget was presented to the House, because it was indicated in the Budget that the tax will be coming and the legislation will be tabled.

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(MR. PATRICK cont'd)

On Page 19 it was indicated that only large corporations, those with taxable capital of over \$100,000 engaged in commercial activity will be subject to tax. Well, Mr. Speaker, what is \$100,000 of capital at the present time in these days. A small 25 foot commercial lot, you have to pay \$140,000 for a small ice cream stand. What about the service stations, the drug stores, the hardware stores? This tax is not on large corporations, this tax is on small businesses who have a very difficult time, and a great many of them have disappeared from the scene; it's the small businessman that is giving the type of service that we require in this province, it's the small businessman that provides the competition that we need, and I believe that this tax will hurt most the small businessmen in this province.

Mr. Speaker, it's discriminatory because it is a tax on gross assets, that's the reason it's discriminatory. It's on gross assets of corporations located in Manitoba, not on net assets. Between different corporations there are great differences. One may be capital intensive, Mr. Speaker - for instance mining - it will have to pay substantial tax. Another may be labour intensive with high profits, in which case it may pay no tax at all, and perhaps I can illustrate. For an example, a mining industry is capital intensive because its capital is in the mineral resources that it's holding and in its equipment, and the mineral rights as well. That's easily discernible, and that's capital intensive. On the other hand in Manitoba - which you have quite a few - you may have an insurance company, and I'll say it's an ABC insurance company, with no capital operating on rented premises, rented furniture, which at present time is the trend, doing a large volume of business, earning large profits, probably employing many people, and it will pay no tax, or very little, because it has no capital as such. So even if the mining company would be operating at a loss - I'm talking about a small mining company - because of the assets of the mineral resource and equipment it will be subject to tax. On the other hand, the ABC insurance company with no building assets, no equipment, rental premises, making great profits, no tax, and my feeling is that is discriminatory.

I believe this is not the way the taxing procedure should be operated. I know when we had the mining tax before this House a few years ago, Mr. Speaker, I believe the Minister of Mines and Natural Resources presented the bill. It was withdrawn in one session, it was brought back, and then we had the tax officials explaining to the Legislature - the public was aware, and there was considerable amount of publicity before that tax came into legislation and put on the statute books. So I say to the First Minister, I believe that there should have been more time so the public would be aware of this tax, so it had some knowledge of just how it would affect some companies. Now I know some companies have the flexibility of disposing their capital assets, who can escape, and some others may not. The private company cannot incorporate, and I'm sure that this will start happening or may happen, I'm not sure it will, I don't know. But at least 85 percent of the corporations in Manitoba I understand are private corporations, so some of them may unincorporate, and that would be one way of escaping, while others do not. A private company can unincorporate quite easily and become a limited liability partnership. Again if I go back to the ABC Life Insurance Company which owns its building, it could sell its building to somebody and lease it back. A mining company would not have much flexibility to dispose of its capital assets because of the mineral rights.

I believe, Mr. Speaker, that this bill perhaps needs some time, and I'm not so sure that it is good legislation. I believe it is not. The New Democratic Government has always adhered to the principle and concept that taxes should be based and imposed on ability to pay, and Mr. Speaker, this is, in my opinion, in direct opposition to that principle. This tax is based on gross capital, not net capital, which is a total departure from what the Government of Ontario has brought in. It is my information that the Province of Ontario when they brought in the capital tax, it was based on net assets, not on gross assets, Mr. Speaker. The corner grocery store with say \$100,000 - and today you won't be able to purchase much of a store for \$100,000, it'll be a 25-foot lot with perhaps an old building, that's all that you can purchase for \$100,000, and this little store will have to pay tax on the assets of \$100,000. That's the way I interpret the

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(MR. PATRICK cont'd) . . . . legislation, and if I'm wrong I hope that I'll be corrected, but I believe that this is correct. This store, Mr. Speaker, may be staggered with mortgages, with loans, and the owners may have a difficult time of making a living out of this small business. They may be losing money, and still they'll be subject to this tax, because it's based on the gross assets of this little store. Now I could say you could apply, Mr. Speaker, apply the same principle to the service station, to the family-owned drug store or the hardware store, and all other small businesses in this province, all small businesses.

So, Mr. Speaker, I am concerned. The debt load such as mortgages and bonds are included in the capital assets. If the company borrows \$200, it's already paying 12 percent interest, and it will also have to pay the Corporation Capital Tax. I accept --(Interjection)-- Well, the Minister says, "How much?" It's one-fifth of one percent. And I'll illustrate to you. What happens if you're building an apartment block? I'd say it would be inflationary. I know that the government will say that the tax is deductible - and again somebody asked this morning from the Department of National Revenue, it's been checked out that there's some indication that it may not be deductible, so I'm not certain, but the Minister in closing debate can indicate this to us. I think that this type of legislation, Mr. Speaker, I know it hasn't been the procedure in this House, and we have no precedence that this type of government tax bill usually goes to, it doesn't go out of the House to Law Amendments, to a public hearing. I believe that perhaps it would be a good thing if a tax bill of this nature would go to some public hearing. I understand the Carter Commission when they held hearings, very strongly recommended to all the people in Canada that tax legislation should go to public hearing, and this may be a procedure that the First Minister would perhaps consider, that there would be some hearing. I know that --(Interjection)-- Well, I don't know, Mr. Speaker, I haven't talked to him for quite a few months.

But again I indicate to the Minister it may have some serious effects on this province. As I indicated, the former Premiers used to indicate what a difficult time they had to attract capital and to attract industry, they had to work very hard and keep running just to keep up with perhaps the slow walk of some of the other provinces that have an easy time. I think that perhaps is correct, I'm sure every government has difficulty, and so whatever we do, I think that we have to be careful that we don't make the situation worse.

Now again I say it's inflationary, I believe it adds to inflation. Let's assume that the cost can be passed on. We don't know at the present time, but perhaps I can use an example of \$4 million apartment development, which is a good example, \$4 million consisting of 200 units at \$20,000 each per unit. The tax on that would be, Mr. Speaker, \$8,000 or \$40 per unit per suite. There would have to be an increase just for this particular tax. I'm illustrating with a larger apartment, but that'll happen on a smaller apartment, it'll happen on a ten-suiter or it'll happen on a 20-suiter at the present time. You take one percent of \$4 million that's \$40,000; one-fifth or 20 percent is \$8,000; it's pretty simple arithmetic you turn \$8,000 into per unit, you have immediate tax of \$40 per unit. And even in a situation like this, even if it's passed, I still say it's inflationary, because I'm using an illustration of a larger apartment. We can, say, reduce that to a 15-suiter or even a 10-suiter today at \$20,000 per suite, you get \$200,000 through your taxes on a 100,000, so it is inflationary. So we cannot escape, the consumer will have to pay this tax. So it is, Mr. Speaker, inflationary. And again I am concerned because I think that it is difficult to attract capital to this province, to attract industry, and we may discourage it by this legislation.

Again I indicate to the House I think that it would have been perhaps acceptable if it would have been on net capital assets and not gross. I think this is a great change by saying it's on net, and in my opinion I think it'll be hurting more of the small businesses instead of the large - I think the large businesses in this province, you can perhaps count them, there are very few around. So it will affect when we're looking at those with capital of \$100,000 or over.

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(MR. PATRICK cont'd)

Mr. Speaker, the other point that is of some concern is the reverse onus, again in this bill, that the taxpayer will have to prove that he has paid the tax, and this is a complete departure from, I understand, most legislation. But I think there's another perhaps more serious point, and that's no limitations to reassess, no limitations of time to reassess the tax. I know under the Department of National Revenue it's up to four years that your tax can be reassessed, in this legislation there is no time limit at all.

The other point, Mr. Chairman, the passing of regulations by the government. I understand it'll be retroactive, fifteen years from now you can pass regulations at that time making it retroactive to the day that this bill comes into effect, make the regulations retroactive to the time say ten years from now if at that time the government make regulations retroactive to the date of this legislation. And this again, Mr. Speaker, is a concern and I wonder if it is good legislation. In fact, you know, you would wonder if it's democratic, Mr. Speaker. So we have very strong reservations about the legislation. I believe the Ontario capital tax is much less punitive because it's on net assets, it's not on gross assets. I would indicate to the First Minister anyone starting a business with say a small private capital of his own, and going to the bank and taking out loans of \$100,000 or \$200,000, he'll have a difficult time to get that business off the ground as it is, he'll have a very difficult time. Not only if he's successful, well he'll be subject to the Corporation Tax and the Business Tax and all other taxes that he'll have to pay, but you're making it that much more difficult for the small contractor, for the small businessman to get started, because you're saying, okay, even if you were successful in getting a loan of \$200,000 you'll have to pay tax on \$100,000, that's what you're saying. And this is not the legislation in Ontario. I believe when the Minister introduced his Budget and we looked at it, at the time there wasn't that much concern because at least we thought consideration would be given, to a tax that would be based on net and not gross.

So, Mr. Speaker, as I indicated, there are things in this legislation that we have a very difficult time accepting. I think it will fire up inflation, it's not based on the ability to pay, and it's discriminatory because it favours some companies and not others. And again I feel that some companies will be able to take advantage of it, some corporations, because they will not incorporate; some will perhaps unincorporate, and since there are 85 percent of the Manitoba corporations that are private, it will be quite easy to do that. I know the Minister will say, well, surely for \$200 of tax nobody's going to start running and doing this, perhaps this may be true, but even if some unincorporate I think it's bad legislation.

My concern is that I think that there is a great burden already on most small businesses in this province and, in my opinion, the ones who are going to get hurt are the small businessmen, or the ones that are starting out, because today \$100,000 of capital assets is a small, small, small entrepreneur, family entrepreneur. Today to open a soft ice cream place you need \$280,000, just a small soft ice cream place, a Dairy Queen; before you get your land, before you get your building and the equipment, you're looking at, and I'm probably conservative, you're looking at \$300,000. So if this was somebody's choice of business to go into, a dairy ice cream business or a Dairy Queen ice cream operation, he would perhaps maybe put \$50,000 into this operation, he had to borrow \$250 and he'd be taxed on 150 of that, and I think that's a serious burden; that's another obstacle that this person would have to consider, should I consider this venture or should I not. So I believe that it is a tax that would perhaps discourage many many people in this province.

Mr. Speaker, I know that the First Minister would say, we're doing extremely well, there's almost no unemployment, we haven't chased anybody away. But I'd like to indicate to the First Minister I'm sure that he's aware as well, because I'm aware, I can tell him, in fact I can produce names, I know of at least 15 small business people that moved out of this province. Even in my own - not in my own constituency, out of the St. James-Assiniboia area, and not because of government legislation, perhaps because they found somewhere else they found it easier to do business. So my concern is, Mr. Speaker, that it will hurt the small businessmen and we may do much more harm,

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(MR. PATRICK cont'd) . . . .because I believe the First Minister indicated the tax will only bring in I believe \$6 million - if I'm not mistaken, \$6 million. So for the revenue that it will bring in, I would hope that the government will give much much serious consideration to this bill than it has at the present time because I do feel that Capital Tax on gross assets is very unfair, so I cannot support the bill, Mr. Speaker.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker, I too want to make a few comments with regard to this particular bill. As mentioned by the Member from Assiniboia, I think this is one of these areas where it's going to cause a bit of a problem for the small businessman and I just wanted to cite several examples and see if the First Minister could maybe clarify some of them.

When I'm talking about an equipment dealer, for instance, who has the stock of \$200,000 or \$300,000 worth of equipment, and we know that doesn't take very much, all you need is a couple of combines and tractors on hand. When it comes to the year-end and he is doing his books, these of course come on the asset side of his balance sheet. He may however be financing that particular equipment at some finance company at the rate of 12-13 percent, which means that he is paying interest and really as far as he is concerned it balances out on the balance sheet. In other words the liability on that particular asset is the same amount as his asset. So here you have the situation where somebody who will be stocking a particular piece of equipment or anything in his business will have to pay a tax just by virtue of having that particular equipment standing there that he's trying to sell and make a dollar on.

Now this particular tax will apply to I would say virtually almost every small business in Manitoba, we're looking at 70 percent of the businesses in Manitoba which employ under 35 people. And when we look at \$100,000 worth of assets, that is very low in this day and age when the crisis for different kinds of commodities is fairly high and the real estate values are escalating every day. I can just think of a small dry-cleaner, a small trucking company with three trucks, will be faced with that; a fellow selling motorcycles or small recreational vehicles will be paying for that, because he's got a stock of over \$100,000. So I don't think that in any way this is going to be limited to a very few people, it's going to take in most of the small businesses in the Province of Manitoba.

I think another aspect of the bill is that many small business people in order to build up a certain amount of assets and trying to make their business go and make sure that the banker that they're dealing with accepts their statement properly, have been leaving a certain amount of earned surplus in their business. In other words, they've been drawing maybe a modest salary out and leaving a few thousand dollars a year in their earned surplus account. Now again, this particular legislation will penalize those people for doing that, and I don't think it's developing the stable type of industry that we want, that person, as I mentioned, that leaves his earned surplus in his business now will be taxed on that earned surplus again.

Now that might not be of concern to certain members, but it sure is to me, because we've seen this type of syndrome that we seem to be involved in. The Minister speaks of conspicuous consumption and different things, but this is not encouraging people to leave money in their businesses for future growth. We're encouraging people to take as much money out of their business and keep your assets as low as you can and spend it on whatever you want, and this is the type of thing that I think that society generally is caught up in right now. We're spending a lot of money because people are saying, why keep it, we might as well spend it, by the time we hit 65 we'll go ahead and we'll be looked after by the authorities in government - we don't have to worry, let's blow it all now, who are we saving it for?

Now again, as the Member for Brandon West mentioned, that's definitely inflationary. And again, as mentioned by the Member from Assiniboia, anybody that is selling on a commission basis or a consignment basis does not really have to have any assets at all, he's a commission-type person and therefore could out of rented premises or out of very minimal premises carry on that type of business and yet make fairly large amounts of money. The tax the way I see it definitely deters people from making certain capital

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(MR. BANMAN cont'd) . . . . investments, and I don't think that it will help the general expansion of the small industry which I think the government is spending money in the Department of Industry and Commerce to encourage, and on the other hand right now we're taking it away from them, so I can't really see what benefit, other than putting some more money in the hands of the government at the expense of a lot of small people in the Province of Manitoba.

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

MR. SAUL CHERNIACK, Q.C. (St. Johns): I wonder if the honourable member would permit a question? The honourable member spoke about, what is a small corporation, saying \$100,000 is not very much. Would he care to indicate his opinion of what is a small business in the sense of exemption for small business as compared with large enterprise, what is his concept in terms of capital assets of a small business.

MR. BANMAN: Well I'll just qualify that statement by saying you can add on 10, 12 percent every year as we go along now and I would say that you're looking at about \$300,000, because it doesn't take very much. As I mentioned, you're looking at somebody who is selling equipment for instance - and we know what farmers are paying for tractors now, \$50,000, all you have to do is have six of those tractors standing in your yard for sale and they can be financed through one of the finance companies or with one of the banks or credit unions and the person will then be forced to pay this tax on that equipment because it shows up on both sides of your balance sheet.

MR. SPEAKER: The Honourable First Minister will be closing debate. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I wanted the opportunity to reply more specifically, so therefore I move, seconded by the Honourable the Minister of Agriculture, that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, would you call Bill 81, please.

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

MR. SCHREYER: Mr. Speaker, to give some advance indication with respect to sequence, after Bill 81 has been dealt with by the Honourable Member for Rock Lake and any other honourable member, it would be proposed to call the bills standing in the name of the Minister of Consumer Affairs and then either the Attorney-General or the bill in my name, 79.

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

COMMITTEE SUBSTITUTION

MR. CHERNIACK: Once there has been an interruption I wonder if on behalf of our Whip I could ask for a change in Membership of Law Amendments Committee.

MR. SPEAKER: Very well.

MR. CHERNIACK: Replacing the Minister of Finance by the Minister of Transportation.

MR. SPEAKER: Agreed?

MR. CHERNIACK: I guess that's Highways, yes.

MR. SPEAKER: Highways. Very well. The Honourable Member for Rock Lake.

BILL NO. 81 - THE MILK CONTROL ACT

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, in responding to the Minister of Agriculture on Bill 81, the Milk Control Act - he indicates in his comments that it's more of a housekeeping bill, one in which as I understand it is giving definite powers and authorities to two different boards, namely the Manitoba Milk Control Board and the Manitoba Producers Milk Marketing Board. Also he indicates, Mr. Speaker, that there is some further protection to the consumer under this legislation, and the way it's described I have no quarrel with the way in which consumers are being protected. I would only hope that when we talk about consumers wanting to know all details as to the



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(MR. EINARSON cont'd) . . . . costs of the dairy products right through from the producer to the consumer level, you know, it would be nice to know that this would apply in all other jurisdictions in our society, Mr. Speaker. However, I'm not going to quarrel with that. I think the Minister probably has great support from his colleagues who are more city orientated, and as I see the bill, I don't think there's anything wrong with that. But, Mr. Speaker, the Minister didn't go into the bill insofar as some of the new aspects of it are concerned and it's those new areas that are introduced in this bill that we did not have in the old bill.

I note, Mr. Speaker, that insofar as prohibiting by order in any part of the province the distribution and sale of milk, partly skimmed or wholly skimmed, that is reconstituted, I'm wondering here, has the Minister had complaints or has he had problems with the processing industries in the Province of Manitoba whereby they've had either fluid milk that has been put into powder form and then reconstituted back again. And I'm thinking, Mr. Speaker, of the northern areas of the Province of Manitoba whereby maybe they don't have pasteurized milk and it has to be shipped into outlying areas in the powder form. Now when it reaches a certain area, and if there are processing plants that can reconstitute this, I'm wondering just what is the object of this particular part of the bill. Has there been some abuse insofar as the consumer point of view is concerned? So I would like some explanation from the Minister in that regard.

Mr. Speaker, other areas where changes are being made, and as it says, information to the consumers and so on - and there's another area in this bill where it indicates an exemption of licensing. Now when the Minister talks about exempting a license to - is it to farmers, is it to processing plants, or what have you? This part of the bill is somewhat confusing to me, Mr. Speaker. I would like to get some information from the Minister as just who could be exempt, and if he illustrates just who that may be then it will be interesting to know why those exemptions are allowed.

Another area, Mr. Speaker, in this bill that is new, and that is the keeping of records. I'm aware that records are kept at all times in the past by processing plants, but as I understand this bill, Mr. Speaker, farmers now must keep records of their business. And while I don't disagree with the keeping of records, a farmer has a business the same as any other business, and I think it's good business to keep records. But this is something new, Mr. Speaker, and the point I want to make is, are farmers in the Province of Manitoba who are in the business of producing dairy products aware of this legislation that we have before us today. I suggest, Mr. Speaker, that I'm afraid the kind of rapport and the kind of communication that this Minister has with the farmers - and here we're dealing with the dairy industry - and the communication he has with the farm organizations and the processing industries, I'm very much afraid, Mr. Speaker, that there's going to be a lot of people who are concerned. And when they see this legislation, I hope that this will get out to them so that if they want to make a presentation in Law Amendments, they will have that opportunity. And you know, Mr. Speaker, the powers and the duties that are granted to the board, I see by a certain clause that a fine up to \$5,000 or one year in jail, or both, can be applied to someone who does not keep records or does not have records to show when an inspector comes around to his premise of business. I think, Mr. Speaker, this is a pretty stiff penalty and I'm wondering why - this is a new section of the Act - I'm wondering why is it necessary to penalize anyone to that extent.

This is another area that concerns me, Mr. Speaker, I understand that transportation is something that is now involved in the regulations of this bill that we didn't have before.

Another new area is to specify the terms and conditions upon which a license may be issued and the fees payable therefor. And, Mr. Speaker, I think that has relative significance to the comments that I have just made, whereby if someone is violating this Act may lose his license, all seems to point out one thing, that our whole dairy industry is becoming a real chaos. I wouldn't want to see the Minister of Agriculture in this province find himself in the kind of predicament the Federal Minister of Agriculture found himself in in Ottawa the other day. You know, Mr. Speaker, when I read some of the sections of this new Act, I become very concerned.

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(MR. EINARSON cont'd)

Also, Mr. Speaker, I am given to understand that a licensee has to be bonded. Now does that mean to say that a producer, a farmer, now has to be bonded in order to either - I don't know whether it's to stay in business as he is right now, or is he saying this is a requirement, that anybody who now wants to venture into the dairy business, must be bonded. Now the term "licensee" is somewhat ambiguous, because under the terms and the powers of the board, it refers to supplying of a product, and so under those conditions and situations I consider this legislation affects a producer in the same way that it affects processing plants.

Mr. Speaker, there's another area in this Act that describes the liability of officers of a corporation. And I'll stand to be corrected, Mr. Speaker, if I'm wrong on this. But as I understand this section, that if a processing plant has a manager and this manager is bonded to run that business, if something goes wrong, if funds have been absconded or something like that, then any one or more of the directors of that corporation can be liable to a fine under this Act. Mr. Speaker, I find hard to understand the thinking behind this particular section. And I would like a further explanation, Mr. Speaker, as to what does the Minister mean when he says that any officer, director or agent over the corporation is subject to a fine or penalty, whatever that may be. Mr. Speaker, I just use this as an illustration, that if the manager of the corporation is at fault for what has gone wrong, I think that he should be dealt with, and not the directors or any one of the directors for the corporation. I think, Mr. Speaker, that this is unfair.

Another section of this Act we talk about vesting the assets and liabilities and this, Mr. Speaker, is one section of this Act that I become more concerned about than I think than any of the other sections of this Act, because as I understand it, the assets and liabilities of that Milk Control Board could be vested in the Manitoba Milk Producers Marketing Board. The Minister of Agriculture was not able to win his battle on Crocus Food here, but even though that may be the case, I have a strong feeling, Mr. Speaker, that that idea that the Minister has is still not dead. And I am wondering if this is a section of the Act that the Minister may use as a vehicle some day in the future, and probably not too distant, to be able to get control or establish another processing industry in opposition to the private co-operative organizations that are operating now. I know we're not supposed to, Mr. Speaker, refer to individual sections at this stage of the game, but this is one section or one area of the Act that I am concerned about and I would like to have further explanation from the Minister as to just what that means.

With those comments, Mr. Speaker, I support this bill merely to go to committee and hopefully that the Minister is going to give sufficient time for farmers, processing plants, whether they be farmer-owned or whether they're privately owned, will have sufficient time to be able to pursue and to look at this bill and give them an opportunity to come before Law Amendments to present their cases whether they are for or against or would like to have some amendments to this bill. And on that basis, Mr. Speaker, I have raised some important points in my view that must be explained to us and given definite assurance before we can give our consent to the Milk Control Act. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member from Minnedosa.

MR. BLAKE: Thank you, Mr. Speaker. I just don't want to let this bill pass without saying one or two words on it and to reiterate some remarks I made the other day about legislation coming in at this particular late date. I know the members opposite can say, we can take as long as we want to pass these bills, but I'm also concerned with some of the items in there, and possibly we can go into them in more detail when we go clause by clause - the powers of the board in some of them, and the licensing and bonding in other sections of it are certainly disturbing.

But I think the thing that bothers me most, Mr. Speaker, is the fact that here is another indication where we've been asked in the 11th hour to pass some legislation, that obviously that the Minister has not had any consultation with people in the industry whatsoever. If we had not taken the opportunity to grab one or two of the bills when they're

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(MR. BLAKE cont'd) . . . . presented to us and mail them out to milk producers in our areas, they would have had no indication whatsoever that this legislation was going to be passed this particular session. And that's just one more incidence, Mr. Speaker, when the Minister and his Deputy seem to enjoy confrontation with the producers of this province rather than having some dialogue with them and apprising them of the fact and making them aware of some of the legislation that's being considered. They come in with a bill at the very last minute and hope that it's rammed through in Speed-up and then they'll argue the benefits of it, or the unsatisfactory features of it, with the producers afterwards. But when it's after the fact, there's very very little that the producers can do about it until they're fortunate to elect a government that might rescind some of the unsatisfactory clauses in this bill.

So I just want to repeat again, Mr. Speaker, that it disturbs me no end to see legislation that is important to the people of Manitoba and to the producers of this province being rammed through at the last minute with obviously no consultation with the producers whatsoever, and I think the Minister should really make an attempt to find out what the producers are thinking and discuss some of these bills with them. They're not going to agree with them, naturally, but at least he can find out what the thinking is and iron out some of the features that won't have to be changed with amendments. We've seen it time and time again when he's brought in bills and before the ink is dry and it's off the press we've had a raft of amendments come through. And I'm sure in this bill when he starts getting some feedback from some of the producers, amendments are going to be necessary, and my argument is, why pass these bills until most of the arguments have been hassled out ahead of time without having to go through the process of amending the bill after it's been passed.

So I would urge the Minister when he's considering legislation of the type that's going to affect the producers and the consumers of this province, that he give a little more thought to their legislation, talk to some of the people that it's going to affect, and come in with the bills in time for us to get them back out to some other people for some feedback and some ideas on the good points and the bad points of the bill so that we're in a position to argue it a little more intelligently on behalf of our constituents.

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

MR. USKIW: Mr. Speaker, I listened with a great deal of interest to the comments of the two gentlemen opposite with respect to the legislation before us, and while I appreciate the members opposite didn't have an awful lot of time to peruse the proposal before them, I think I did indicate that this is really a matter of housekeeping which one could say is two years overdue. Because really what this bill accomplishes in terms of its strict legality is what we are now doing and have been doing for two years by and large, but under two jurisdictions, that is the Natural Products Marketing Act and the Milk Control Act, that is, the existing Milk Control Act. So that this bill simply removes the overlapping jurisdictions where they do overlap and clearly defines the role of each agency, or more precisely. So that it's really not something new, we've been operating this way for two years but under two different pieces of legislation, which is somewhat awkward. And there are references in the present Act which do not apply under today's conditions, bearing in mind that we had no such thing as fluid milk quotas. So I do want to point out to the Member for Rock Lake in particular that there is nothing earth shaking in this legislation, this is really what we are doing at the present time, that is, by and large.

The Member for Rock Lake raises the question of authority, the two boards, I've just explained that part of it, and protection for consumers, apparently in his mind at least, there is nothing at issue there. I would hope that there wouldn't be. We believe that it's desirable that if consumers are to make proper representation to a hearing under any public utility system that they should have all of the information that is available, not certainly on an individual company or producer basis, but certainly in the aggregate so that their submissions can be much more revealing and to the point with respect to their interests.

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(MR. USKIW cont'd)

The Member for Rock Lake also raises the question of the powers given to the Board, discretionary powers, on the question of reconstituting milk. Again I want to draw to his attention that that is permissive in nature, they may and may not, depending on a given situation, allow reconstitution. And the question of whether there have been problems in that regard. Well I think we have discussed that point in this Assembly before, wherein it has been drawn to our attention by the Food and Drug people that if we are to distribute and sell reconstituted milk, that in the interest of consumer protection that it should be so labelled. Either that or we must desist from doing it, we shouldn't be selling it in the regular milk carton, people have a right to know what they are buying. And in that regard we appreciate the particular problems of distribution of milk in the remote areas, and the Milk Control Board has been doing a great deal of research and development in the area of milk distribution in northern Manitoba with a fair degree of success. They are looking at another concept product that has been developed elsewhere in the world, and in particular in Quebec, in terms of long shelf life, and that is a possibility for the remote communities of the north. But they will be identified as such under this legislation, they would not be camouflaged as regular fresh whole milk, and I think that is an important consideration.

The question of licenses. Well obviously it's not rational to think in terms of licensing every farmer as such, and therefore the Board is talking really about the distributors and suppliers of milk. The Member for Rock Lake would appreciate knowing, or at least I should remind him that the farmers do not sell milk, it is the Board that sells milk. The Board deals directly with the processor who is the distributor, and of course then there is the retailer. So it's a matter of understanding the roles and definitions in order to put it in its proper perspective.

And bonding of course is a matter that we have considered for some time and it's recommended that we proceed in that direction, in that there have been some, shall we say, close calls with respect to payment for milk delivered, in which case if the moneys were not collected the producers would be the losers, and this is something that we have to guard against.

Keeping of records, again, is for the purpose of more properly developing methods and procedures in the utility concept. It's obvious you can't talk in terms of utility pricing unless all of the information is available, and the desire here on the part of the Board is to simplify forms for information so that that information can be more readily available and universally understood. That is really the intent there.

The liabilities of officers of the corporation which the Member for Rock Lake took issue with, I would suggest to him that he read the whole of that section, because it does refer to those persons who directed, authorized, assented to, acquiesced in, or participated in the commission of the offence. That's how that section reads. So we are talking about people who were party to an offence, regardless of who they are in the corporate structure.

The question of vesting of assets, again I want to repeat that that is two years overdue, in that the Milk Control Board of two years ago and prior did collect fees from farmers and from processors to finance their operations. At the time that the whole policy change came about, two years ago, there were surplus moneys and assets which it was intended would be transferred over to the Milk Producers Marketing Board, keeping in mind - that is the Producer Board - keeping in mind that most of the levies that went into that fund came from producers. So this section will give us the authority to formally transfer those assets to the Milk Producers Marketing Board where they actually belong, and they have been held in trust for the last two years for that very purpose. That is the reason for that particular section. It has nothing to do with future assets, it has to do with existing assets held in trust which should be the property of the Milk Producers Marketing Board.

The Member for Minnedosa, I wish he was here, Mr. Speaker, but notwithstanding, did draw to the House the problem - he is in the House - of introducing such legislation late in this session. I simply again tell him that this is not earth shaking legislation, there's nothing dramatic here. It is more in the nature of housekeeping and

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(MR. USKIW cont'd) . . . . there is really not expected to be any particular hostility or controversy that I'm aware of. For his information, and perhaps he should check the rules, it is not proper for any department or any Minister to send printed bills out to the community at large in advance of having them tabled in the Legislature. If that were done, of course, members opposite would be the first ones to suggest a violation of the privileges of the members of the House. So the member should not expect that my office would send copies of the legislation to the farmers or to the processors in advance of introduction.

MR. BLAKE: Point of order. I did not suggest that the bills should be mailed out. I merely suggested that it would be helpful if the Minister had some dialogue with the people who are going to be affected. I in no way suggested that the bill should be mailed out in a rough form or a printed form because I know that's absolutely unthinkable that that would be done. I merely suggested that he have some consultation with the people that were going to be affected before he brought the legislation in.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Well of course, Mr. Speaker, the member suggested there should have been consultation and in making that suggestion he is implying that there was none. I want to advise him that this legislation has been requested by the producers for two years. In fact they wanted it a year ago and it didn't get through last year. We were involved in a whole host of discussions and we just didn't get to the point where the bill was ready at the last session. But this has been discussed with the producers for two years. Therefore it is not correct to assume even for a moment that the producers had no input in terms of the policy direction that we are now taking.

Also I would like to remind the Member for Minnedosa that it seems to me this particular bill was mentioned in the Throne Speech. If there is to be public notice given to the community at large, certainly reference in the Throne Speech gave notice that there would be legislation with respect to The Milk Control Act. That, it seems to me, Mr. Speaker, should set that matter aside.

So those are my comments and I suggest to the members that I too will be looking forward to any representations in committee, so that if in fact there are areas where we have omitted something that should be there that might improve the legislation or otherwise, that at least the public will have an opportunity to participate and draw to our attention shortcomings they feel there are and we certainly are openminded because this is of no consequence in my mind.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. BLAKE: Will the Minister yield to a question, Mr. Speaker? I wonder, in view of his remarks that this legislation just wasn't ready to bring in last year and was mentioned in the Throne Speech debate, if he might inform the House why it was not possible to bring it in earlier in the session. Is his department that incapable of getting a small housekeeping bit of legislation, that he tells us it is, ready prior to the eleventh hour of this session.

MR. USKIW: Well again, Mr. Speaker, usually the procedure is that bills that have meaning other than housekeeping, are introduced earlier. At least that is the intent. The Member for Minnedosa should appreciate that this is probably the fifth or sixth bill that the department has brought in and not being that significant it's one of those that could come in at any time because it should not be controversial. From that point of view it serves the Legislature better and it serves the public better.

On the other hand I think it's fair to say that one has to pace one's legislative program. We have just passed a number of agricultural bills a week or two ago. This is the last one. It's not as if we haven't been dealing with bills from the Department of Agriculture throughout the length of this session.

Secondly, I would like to point out to the Member for Minnedosa that we still had consultations with the producers as late as a month ago with respect to the provisions of this bill.

MR. SPEAKER: Is it the pleasure of the House to adopt the motion? Does the Honourable Member for Minnedosa have another question?

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MR. BLAKE: I just wonder if the Minister could tell us now is he deciding which legislation will be controversial and which legislation may not be controversial.

MR. SPEAKER: Order please. Question is irrelevant, asking for an opinion.

QUESTION put MOTION carried.

MR. SPEAKER: Bill No. 84, proposed by the Honourable Minister of Consumer and Corporate Services. The Honourable Member for Wolseley.

Bill No. 20, proposed by the Honourable Minister. The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): The Member for La Verendrye will be back in a few moments. He had to take a school class from his constituency. He'll be back in a few moments. I wonder if the Minister would call No. 86.

MR. SPEAKER: No. 86. The Honourable Leader of the Opposition has that.

MR. JORGENSON: The Leader of the Opposition is not here but he has turned over the responsibilities for speaking on this bill to the Member for Rhineland. The Leader of the Opposition's name can be taken off as standing in his name.

MR. SPEAKER: Thank you. Bill No. 86, proposed by the Minister of Health. The Honourable Member for Rhineland.

BILL NO. 86 - AN ACT TO AMEND THE MARRIAGE ACT

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. Bill No. 86 mainly allows for a marriage commissioner to perform marriage ceremonies. The rest of the clauses seem to be updating and housekeeping.

I am pleased to see that where a child is a ward of the Children's Aid Society the Director of Child Welfare can give consent to marriage. I believe that this is an improvement. We have no objection to have this bill go to committee, Mr. Speaker.

QUESTION put MOTION carried.

MR. SPEAKER: I wonder if House Leader of the Opposition could inform me which bill he would prefer next.

MR. JORGENSON: Call Bill No. 93, Mr. Speaker.

MR. SPEAKER: Bill 93. The Honourable Member for Rhineland.

MR. USKIW: Mr. Speaker, I'm afraid we're getting conflicting advice here. I understood the Premier had indicated that after the Consumer Affairs bills that we would want to go back to the bills in the name of the Premier which is 79 and I believe 87. Although I think I have no objection at this point to go ahead with the other bills. In the meantime we'll try to find . . .

MR. SPEAKER: To the Honourable Acting House Leader I may suggest on Bill 79 the Honourable Member for Lakeside isn't present so there would be no point in calling it. The other bill for the Honourable First Minister, the Honourable Leader of the Opposition is not present. The Honourable Member for River Heights on procedure.

MR. SPIVAK: If 79 is called, I'm prepared to speak on it.

MR. SPEAKER: I am prepared to accept that. The only problem is that we run into some difficulties when a member speaks ahead of another one and doesn't run his full time limit. The Honourable Member for Morris.

MR. JORGENSON: I wonder first of all if you'd call 93 since the Member for Rhineland is here and it will take but a few moments to complete the debate on that particular piece of legislation. As the Member of River Heights is ready to proceed on 79, then I wonder if you would call that.

MR. SPEAKER: Very well. The Honourable Member for Rhineland.

BILL 93 - AN ACT TO AMEND THE PRESCRIPTION DRUGS COST ASSISTANCE ACT

MR. BROWN: Thank you, Mr. Speaker. Bill 93 allows for benefits to be paid to a person including an insurer of a person who is eligible for a specified drug. The only questionable thing in the bill that I am rather concerned about is that the bill has a clause in it making it retroactive as of July 1, 1973. Now we have no objection to the bill but when you have something that is retroactive for a period of three years this is of some concern to me. This bill should have been passed earlier. But we are willing to refer this to committee, Mr. Speaker.

QUESTION put MOTION carried.

BILL NO. 79 - MONEYS FOR FISCAL YEAR

MR. SPEAKER: Bill No. 79. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I rise in this debate to deal with this particular item in a way I believe which is different from the approaches that have been taken so far in the debate on this matter. I believe that as the Estimates were revealed this year, there were a number of important matters that have been highlighted and should be discussed and I think to a certain extent they have been. The Honourable Member for Brandon West discussed the question of Saunders and I think that was rather appropriate. I suspect by next year we'll be discussing the matter of Flyer and it will be rather appropriate.

But, Mr. Speaker, I'm going to deal with the Estimates in the particular bill which we have before us by dealing with the question of taxation, the question of civil liberty and the question of the whole consultative process that government is to undertake in carrying out its functions. With respect to the question of taxation, Mr. Speaker, statistics can be brought forward which would prove that in the manner in which you approach this subject and the way in which the figures are developed, one can indicate that we are either better off or worse off than other jurisdictions. One could then say that the collective amount or the aggregate amount of taxation to be paid by the people of Manitoba with every form of taxation is, in fact, more than people in other jurisdictions are paying.

But, Mr. Speaker, it begs the question at this point as to whether the people have to continue to pay more. The question that has to be asked is whether there is not a point to be reached where government has to recognize that the people are entitled to keep the money for their own use. They are entitled to be able to retain it for their own consumption whether it be something that meets the approval of some of the members of a particular government, whatever the political stripe of that government, or whether they want to save it for their own particular use or whether they want to apply it to any matter they see fit.

The great cry in this province and throughout this country - and what I'm saying does not only apply to this particular government it applies to all governments - is the fact that the politician simply has forgotten the fact that people earn their living; they work for their living; they work --(Interjection)-- Yes, I know. I say to the Honourable Member for Flin Flon that I've worked almost all of my life and worked very hard and I am quite prepared to say that. I worked during my junior high school years, my high school years, my university years and worked, I would say, during the school hours an average of eight hours a day and out of school hours an average of about 16 hours a day. I am quite prepared to stand up here and say to him that I have worked through my life. I'm prepared to say, Mr. Speaker, that the people who have to work, and most people do, and the people who have the responsibility of trying to provide for their family have found a situation which is becoming more and more intolerable.

Inflation has presented the government with a money mechanism, a money machine which has funnelled money into governments' hands that was never considered possible before. Governments have attempted to be wise in the distribution of that money but they have not been tight in their administration and the complexity of our life is such and the government involvement is such that there is a feeling generally that those who are earning, those who are working, those who are doing things within the economy must continue to pay more and more and more. That is a fact of our life. I don't believe that that is a fact of our life, Mr. Speaker. There are tremendous demands and tremendous needs and government has responsibilities and there are priorities that have to be set. But there is an obligation, Mr. Speaker, for the government to provide administration that is firm, that is competent, that is capable of providing the best management possible in every one of its undertakings. The difficulty is that government is so complex that the structures have not been changed or altered, that the administrative procedures are not under control, and thus it's just an exhausting exercise to try and bring it under control. The First Minister and the others on the other side reflect it at different times. All one has to do is look at them at various times, particularly in the budget process, to realize how tired and exhausted they are.

But, Mr. Speaker, having said that, the failure is still the structure. The

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(MR. SPIVAK cont'd) . . . . failure is still part of the system, and the failure is to tackle it and to recognize that that is a priority. It may very well mean that there will have to be a sacrifice for a period of time of some of the social responsibilities. Because if we do not tackle this, both on a provincial and a federal level and a municipal level, if we do not tackle this there will be a time, Mr. Speaker, where the taxpayer will rebel, where the taxpayers will not remit, where the taxpayers will in fact cry out.

Now, Mr. Speaker, we live in a time where conditions, even with the inflationary spiral and even with the guideline programs, are still relatively good. Although there were certain standards that were mentioned to be guidelines by the Anti-inflationary Board, most people look at that as a guideline to look to but maybe negotiate higher than, and recognize that at least those are minimums rather than maximums. At this point people are enjoying a quality of life that they have not enjoyed before, notwithstanding all the problem areas that we have, and notwithstanding the fact that there are still the significant number who have less than the average.

But, Mr. Speaker, I don't know how long that will continue and it would seem to me that we are going to reach a point whereby the kind of new society that the Prime Minister is talking about will be a society in which there will be greater and greater control over the individual liberty and the individual action that a person or taxpayer will be able to undertake. And so, Mr. Speaker, when we talk about taxation, and with respect to these Estimates I suggest to you that every government has put itself in a position to provide whenever the election will take place whether it be on a provincial or federal level, sufficient moneys to provide certain benefits for people, those people that they are going to target, those groups they are going to target on to try to achieve their support. They will give away money at the time of the election in a variety of different forms and they will talk about it as redistribution of income; they will talk about it as being the improvement of the quality of life; they will talk about the actions that they are doing and they will talk about the progressivity of what they are undertaking. But, Mr. Speaker, what has happened is that it is a short term view - it's a very necessary view insofar as governments are concerned - but it is a short term view with respect to the direction that we're going.

I could if I had to, Mr. Speaker, stand up and go through the various Estimates that have been passed and are reflected in this bill and suggest that there was waste and mismanagement here, that there were errors in judgments there, that in effect there could have been savings here. We've recited some of them already in this House. I don't think to the extent that we should have, Mr. Speaker, but nevertheless having said that, I believe we have indicated this point. It would seem to me that that picture does not have to be painted again. The people in the province know it.

But what I'm saying, Mr. Speaker, that it is part of the structure under which we operate that needs correction. The kind of undertaking that has to be made by government in this province, and other provinces is massive. It will take an iron will and a determination that has yet to be shown. Mr. Speaker, if that does not happen then I think the short term outlook may appear good but the long term outlook will be serious and the kind of rebellion of the taxpayer will in fact take place.

Mr. Speaker, this leads then to another question, the question of civil liberties. It has to do with the government's operation and the tendency for government in the carrying out its function to forget certain fundamental principles. Mr. Speaker, one of the regrets that I have in this province has nothing to do with the government but has to do with a non-governmental organization that has failed to function. I think its failure is a direct reflection, Mr. Speaker, of the failure of leadership, the cynicism with which those who are in a position have approached their personal and organized relationship with government. Mr. Speaker, we do not have a civil liberties association in this province. We had one in name, we do not have one now and yet, Mr. Speaker, there is legislation introduced in this House every year which infringes on the civil liberties people.

The manner in which government operates interferes in some cases with the civil liberties of people and the only protection that we have is the work of the opposition in a forum that is very difficult and in procedures which make it very difficult to necessarily be aware and to protect those interests.



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(MR. SPIVAK cont'd)

The community have people who at least give lip service now and then to that principle but who have not organized themselves and have not the concern. Mr. Speaker, that is the Bar, it includes the universities and includes those who are in the social service field. The fact, Mr. Speaker, that we do not have a civil liberties association who are prepared to support those objections that would come against any government action or any infringement of civil liberties, the fact that we do not have an organization to praise the government in its legislation or in its action, the fact that we do not have an association to provide a forum for debate is really critical.

Now, Mr. Speaker, all one has to do is look at some of the bills that have been introduced in this session to recognize that necessity. And without receiving your admonishment because I would in an area that I cannot cover in this particular bill, let me suggest that the Honourable Member for Assiniboia and his discussion today of Bill 88, already referred to the reverse onus provisions which I suggest is a direct infringement of civil liberty in that particular Act. There are many other civil liberty issues that are involved in that Act with respect to the way in which government intends to operate. They will be discussed when we get into committee and there will be an attempt to try, Mr. Speaker, to try and get the government to change. But, Mr. Speaker, what that bill reflects, what the original wishes with respect to the Manitoba Human Rights Commission on the part of the Commission reflected was a disregard, Mr. Speaker, of the need for checks and balances on government in the way in which they handle themselves with individuals and organizations. Mr. Speaker, it's fundamental that that protection exist because while it can be justified that what we are doing is necessary for administration and for simple administration and good administration, what it really simply means that we erode the basic freedoms that we have. In effect under Bill 88 - and again I don't want to be admonished - that a person is presumed guilty until found innocent because an assessment is made is fundamentally ridiculous.

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

MR. SCHREYER: Yes, Mr. Speaker. I realize that oftentimes we make better progress by not being overly fastidious about the rules but, Sir, I really must protest. There has been recurrent reference to the principle of Bill 88 in the second reading stage of debate on Bill 79 and recurring reference to the principle of another bill.

MR. SPEAKER: The point is well taken. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, then let me say this. In any legislation which essentially says that a person is guilty until proved innocent, in any legislation, one has to be concerned --(Interjection)--

MR. SPEAKER: The Honourable First Minister on a point of order.

MR. SCHREYER: Yes. With respect to the last comment I would suggest that it is permissible under the rules to ask where in Bill 79 is that applicable?

MR. SPIVAK: Mr. Speaker, I must say that I am now talking on the Estimates of government and I'm talking about its expenditures. If I'm correct I have the opportunity of a fairly wide-ranging debate.

My purpose Mr. Speaker, is to indicate the infringements that occur with respect to civil liberties and to point out, Mr. Speaker, and I say with regret that our community has not been capable of maintaining a civil liberties organization in this province, a meaningful civil liberties organization, one that would draw to the public's attention those infringements of civil liberties and one which would in fact bring to the legislators' attention those infringements of civil liberties. I say, Mr. Speaker, that as government becomes more involved in our lives and as government attempts to try and do the many things that they do, some of which are questionable, there is a greater tendency on government's part to take upon itself powers that it did not have before and in effect to restrict the freedom and the liberty of individuals. We have to be on guard with respect to this, Mr. Speaker. It is one of the, I think, ominous features of government's actions today and it's not reflected only in any political philosophy, it happens to be the actions

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(MR. SPIVAK cont'd) . . . .of the administration of government. At this point there is a need for far greater attention by the public to the actions of government.

This leads, Mr. Speaker, into the next question and that is the consultative process. Mr. Speaker, I think one of the very great disappointments of the last period of time has been the number of organizations and people that I have had contact with in dealing with a particular item in which the government is involved, either through expenditures of money or through legislative action, and the general feeling that a) there is no way that they are going to be able to influence the government; b) there's been no consultation with the people involved and c) that we have to pick and choose our times for protest because if we protest too much we will be disregarded and if we only protest on some we have a chance of being able to achieve what we want.

Now, Mr. Speaker, I say this to you and it's been said to me over and over again, it's been said with respect to a number of bills that have appeared in this legislative session, that this is an intolerable situation. The fear that organizations and individuals have that they can't speak out on matters that affect them because a) they don't want to be considered to be objecting to the government because of this reason or that reason or to the administration because of this reason or that reason and secondly, the fact that people who have a right to be considered as part of the total consultative process in government have not the opportunity to be heard.

Mr. Speaker, we can go through this in many ways and cite several examples. In the Estimates we have the children's Denticare Program and I've asked the First Minister certain questions on it today and his answers to me were very significant. There has been consultative process but not the determination of that of the government. I think that's fair, Mr. Speaker. The government should be consulting with a particular interest group at a particular time, whatever the matter is, and after the consultation is finished then has to arrive at the determination of its policy. Mr. Speaker, there is a difference in the types of consultation that take place. There is consultation which takes place with the view to try to arrive at a consensus which would reflect the interests and concerns of people who may have a vested interest in a particular item; there is consultation which is really in name only, to say that we are in a position of having consulted and then to be able to proceed as we want; there is consultation which really amounts to a confrontation, Mr. Speaker. Too much of what has happened - and this I think is a general criticism of this particular government - too much of what has happened in the past has been a consultation which has resulted in a confrontation. In some cases I would suggest probably deliberate, in other cases by the very nature of the challenge that has been made to the decisions that have been arrived at by government. Those decisions, Mr. Speaker, have been arrived at either on the basis of inadequate information, on poor planning or on some preconceived notions, Mr. Speaker, of the individuals.

We are entering the field, as an example and I will refer to it again, of a Denticare Program for children of school age. That's a worthwhile program. We had two bills introduced last year and they were discussed. We had the various dental nurse auxiliaries appear before the committees and indicate the nature of their work and the nature of their professional ability. But, Mr. Speaker, they are going to be imposed into the system and they are going to be given a capacity beyond that for which they are trained and that is for the purpose of saving money in the introduction of the program. The kind of consultation that should have taken place with the people involved has not taken place and the protests that are made are simply put aside on the basis of, that's a professional interest involved who have a specific interest in protecting their own profession and therefore, Mr. Speaker, are not going to be prepared to bend and to be able to work out something that would be mutually acceptable. Mr. Speaker, that has happened with the doctors and that has happened with many in the social service field.

I think one of the interesting features, Mr. Speaker - and this I think is very telling insofar as the government is concerned - if one talks to the social service agencies and their workers who have had to have consultation with the various ministers in the government and the whole variety of the social service field, one finds anger with the government because of its failure to listen. The problem here, Mr. Speaker, has been

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(MR. SPIVAK cont'd) . . . .the concern that the government won't be able to achieve its political objectives and secondly, the need to rush its actions. Just as we have a rush in trying to complete the legislative function here with cursory examination of significant legislation and with an intention to try railroading it through so it's over with, so in dealing with those who have a particular interest, the consultation takes on the same form, to get it through and get it over with, to be able to accomplish the objectives because of the objectives themselves have been set in advance. As a result, Mr. Speaker, instead of taking the community along and leading with them, what you have is the constant confrontation. It's demonstrated over and over again. So as far as government is concerned in terms of its relationship with people, its relationship with those whom it serves and a relationship to those who are in fact the conduits - and I say that in terms of people and groups - to reach the very people for which the social objectives have been set, Mr. Speaker, there is a failure here which is of fantastic proportions in this province, a failure which is expressed time and time again by the statements of those who head the various groups in this province who say that the government will not listen.

There's a scenario that always occurs, Mr. Speaker. What takes place is the confrontation will become public, letters will be sent and finally the First Minister will meet with them and he will try and allay their fears and he will try and appear to be the mediator and he will try and use his good offices and he will use his personality and for a certain time it will cool, but it continues on the same way. Mr. Speaker, as a result, we have programs introduced, some of which are worthwhile, Estimates for Expenditures, much of which in terms of achieving its social objectives are laudable, but whose execution is very poor and the actual reception of the action that's being taken by the government is questionable and again why? Because those who are involved in the professional sector are not directly involved, are not in consultation, are not really participants and in fact in many cases are adversaries because of the manner in which it is operated.

And so, Mr. Speaker, in looking at the government's Estimates and in the criticism that could be levelled - and I believe there are many arguments that could be advanced on specifics - may I say that in reviewing the period of the present government part of its fault are faults of every government in this country and the Federal Government. But some of its faults are peculiar to this government and to its attitude and I think to its general inferiority complex - I think that I can say without question - its inferiority complex in not being secure in its own position and not trusting many of the people who appear to them to be their adversaries. The fact that challenges are made by people who would not support their political philosophy doesn't in itself mean that those challenges shouldn't be listened to or that it's an unnecessary process. It's very much a necessary process.

But, Mr. Speaker, I say, Mr. Speaker --(Interjection)-- I'm not sure what committee you're referring to.

MR. SPEAKER: Order please.

MR. SPIVAK: Well if the Minister is on corporations let me just say to the Minister on corporations - and again I have a problem I guess with respect to an Act, but I can only cite that as the example of how the government operates. A major undertaking took place with respect to an Act and it took three or four years. Law Amendments Committee met. No opportunity for the members here to hear the individuals who were involved. I think that's a failure. There's been no community involvement as far as I know. The Co-operative Act was introduced by the Minister of Tourism and Cultural Affairs. He indicates that it's complementing The Corporations Act. Mr. Speaker, there's been no consultation between those who drafted that Act with those who drafted the Corporation Act although there was that representation in the House. There was no consultation at all. Frankly, whether in fact it complements it or not no one knows. That Act will be passed probably within two days and, Mr. Speaker, then it will begin to operate. The Minister indicated the only reason that he brought it in was he'd just got it a day before and he just got it published so that he could bring it in. I'm not sure that the members opposite even read it. I'm not sure that the people involved who are directly going to be affected by it have had the opportunity to review that with the government before it was introduced.

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(MR. SPIVAK cont'd)

Mr. Speaker, I want to go back to the Estimates and indicate again the level of taxation is too high in this province. The Estimates that have been presented in aggregate will probably amount to 20 percent with the special warrants, a 20 percent increase, hidden in those Estimates, Mr. Speaker, are expenses that will not be spent, so that in effect there will be a cash surplus for next year's Budget so that, Mr. Speaker, there will be a provision for a giveaway during the election period. Mr. Speaker, because of those Estimates a surplus of cash, Mr. Speaker.

Mr. Speaker, revenue has to be collected to meet those Estimates so we've had an increase in taxes and we'll be dealing with some of those taxes. There is no thought, Mr. Speaker, that at this point there is a need to reduce taxes, not at all. There is no thought, Mr. Speaker, that there's a need to control government expenditures, not at all. There's no thought, Mr. Speaker, that there's a need to discontinue programs, not at all. There's no thought that there's a need, Mr. Speaker, to restructure government, not at all but the process continues and it grows and it inflates. Mr. Speaker, the taxpayers are not going to stand for that very much longer because the reality is that with all the increases that are taking place, with the earnings that the income earner can produce, his cost of living is such that it's getting harder and harder to stay in one place and in effect he's actually falling behind. The fact that there are credit arrangements which allow him to be able to plan for the future and the fact that he's able to mortgage his future only places a greater anxiety and a greater concern on him and that will erupt, Mr. Speaker, that will erupt if conditions change, not drastically, but change seriously, and that will erupt if taxation levels increase.

There is need, Mr. Speaker, for a greater concern on the liberties of individuals and on the actions of government in this administration. There's a need for government to take action and for the opposition to be ever mindful of that responsibility. But there's been a fantastic failure on the part of the community and on the part of non-governmental organizations in not being more attentive and more alert to what is happening. That is because of the cynicism, Mr. Speaker, with which people deal with government and organizations deal with government and the feeling generally that there's not very much they can influence. It's not just this particular government, it's government generally, but it's a characteristic, a quality, Mr. Speaker, that exists in this province and I think is quite regrettable. There is a need for a reassessment by the government of its whole consultative process. Its consultative process generally has failed, failed for many reasons, some of which have been delivered, some of which have been concerned generally with the problems of money and the need to negotiate in such a way as to protect the government from having to commit itself for sums of money that it's not prepared to commit. But it's also to a large extent a failure because of a sense that confrontation when it does occur means that the people who are confronted by the government are adversaries and therefore should be disregarded.

Mr. Speaker, that has to be corrected because if it isn't corrected the people are going to correct it themselves and that's . . . the advice of the First Minister. Unfortunately, Mr. Speaker, the problem is that much of what could be accomplished and much of the good that should be achieved is not and cannot and will not be achieved because of this lack of consultative quality that has developed with respect to the government and the whole area of its involvement, whether it be the teachers, whether it be the landlords, Mr. Speaker, or even the tenants, whether it be those in the agricultural industry and the farmers. God knows members opposite here could make case after case on this. Whether it had been on Crocus Foods with all the anxiety that was caused and the confrontation that had to take place and the loss of public money that had to take place, Mr. Speaker, whether it be with the business community, what has happened is that failure has, I think, to a certain extent really affected directly the kind of contribution and effort that the members opposite could have made with respect to some of the social policies that it declared as its objectives. It has to be corrected, Mr. Speaker, because if it is not --(Interjection)-- I'm sorry? No, Mr. Speaker, this is by far not my swan song, I would hope I'll have years of swan songs.

(MR. SPIVAK cont'd)

Mr. Speaker, I think that this really has been reflected in the debate on these Estimates so far and on the way in which everything has been presented. Mr. Speaker, there are changes that have to take place. If they do not, this government will be in jeopardy, other governments will be in jeopardy because those failures are significant. The antagonism that exists is pretty strong and the difficulty, Mr. Speaker, is that as years go by and assessments have to be made on the programs that are to be undertaken, one can sense that that failure of consultation has directly affected the achievements that should have occurred. Thus what we have are minimum accomplishments as opposed to the maximum kind of thing that could have been developed.

Mr. Speaker, in dealing with this I suggest that the activities that we carry on on this side in dealing with the Estimates are significant but there is a failure on the part of the community as well in responding as it should, in bringing to the attention of both government and opposition matters that should be brought to our attention, in speaking out on the issues in supporting the government where they feel it should be supported and supporting the opposition where they should be supported. The government will only be as good, not just as the opposition makes it, but as the public wants it. There is a need for a change of attitude on the part of many within our province who have a responsibility to themselves to speak out on the issues and to indicate the kinds of direction that we should be taking.

MR. SPEAKER: The debate will remain in the name of the Honourable Member for Lakeside by whom it was adjourned.

#### INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of honourable members to the gallery where we have 18 students of Grade 8 and 9 standing of the La Broquerie School under the direction of Mr. Ouimet. This school is from the constituency of the Honourable Member for La Verendrye.

On behalf of the members I welcome you here.

#### BILL NO. 20 - AN ACT TO AMEND THE TRADE PRACTICES INQUIRY ACT

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, would you call Bill 20.

MR. SPEAKER: Proposed Bill No. 20. The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Speaker. At the outset before I get into the meat of this bill I would like to say that this Act is going to be giving the government fairly wide powers and I should mention that it was indicated by the First Minister in the Speech from the Throne and the bill was introduced for first reading on February 18, 1976 of this session, the same day that the Minister of Consumer and Corporate Affairs introduced the Rent Control Bill. So, Mr. Speaker, all I want to say at this time, I can't see why with the first reading of this bill back in February why we had to wait until the dying moments of the session before we got it before us. We're looking at about four months when the bill just seems to have been lying around and waiting.

Now it's a substantial bill, Mr. Speaker, in that it changes an Act which was passed in 1935 by the government of that day and it has seldom been used or invoked. What the Minister is doing in this particular case, he is changing the total concept of the bill. Basically what it does, it destroys the statute as it presently exists. He is basically using the bill as a vehicle to set up a Price Control Act.

I think that the bill gives undue authority to the Lieutenant-Governor-in-Council and I would just like to point out to the Minister that the procedure is, the way I understand it, that any four people - I'm referring to the Act, the body that won't be changed of the old Act - that any four people over the age of 18 can make a complaint to the Minister in writing. Then the Minister can screen these complaints and if he feels that

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(MR. BANMAN cont'd) . . . .the complaint is valid he can go ahead and set up a board or a commission of inquiry by Lieutenant-Governor-in-Council.

Then what he can do is either on an interim report or in the report of that particular body that he sets up by Lieutenant-Governor-in-Council can, by again Lieutenant-Governor-in-Council, pass any type of regulation as far as a certain commodity is concerned. The Act spells out very implicitly where he can do it and I think the different parts of the Act where he is trying to get at is people who basically are operating a business which is of an essential nature to the people in the Province of Manitoba and there is limited competition in that field.

Now I would pose several questions to the Minister. No. 1 that comes to mind is of course the problems that the consumer as well as the producers were faced in the sugar industry. I wonder if this is the type of thing that the Minister has in mind. In other words will he, through this Act, be setting up a board of inquiry and then upon their recommendations set a certain price for the sugar commodity in the Province of Manitoba. The problem with that is when you're dealing with different people that are involved in that industry, whether it be the primary producer, namely the farmer or the Manitoba Sugar Company, this Act does not provide any consideration for those people who are going to be affected by this particular legislation. In other words if the Minister sets up this board he doesn't have to give the Manitoba Sugar Company any notice that they're investigating or that they will be setting a price or he doesn't have to go to the primary producer. In other words there's no input from anybody. It's just by Lieutenant-Governor-in-Council he can pass this particular price setting or price fixing or whatever you want to call it and control that particular commodity without having any input from anybody that will be affected by the pricing of that commodity.

Now the other thing running along the same line is there is no provision in the bill for an appeal on any decision that the government makes. In other words if anybody is affected adversely by this particular type of Order-in-Council there's no appeal procedures at all. So what really is happening is that the Minister is asking us on the opposition to support a bill which sort of gives them carte blanche authority to do whatever he wants with whoever he wants. I don't think that the members of the opposition are going to buy that type of thing. --(Interjection)-- He mentions protect the consumer. You know, Mr. Speaker, for instance I was using the example of the sugar industry. Now what is he going to do? Is he going to try and control the price of sugar on the retail market or on the wholesale market? Now I suggest to him if he would try and control it on the retail market and set the price of 30 cents a pound - I'm just taking an arbitrary figure - if he sets it at 30 cents a pound but the retailer has to pay to the wholesaler 35 cents a pound nobody in the Province of Manitoba is going to sell sugar. On the other hand if he sets the wholesale price what you could have is an interprovincial trade problem. You're running into the jurisdictions that the AIB was supposed to be doing, in other words monitoring prices. They aren't constrained by the interprovincial boundaries like we are. Because Manitoba is not a large consuming province such as Ontario and Quebec, a lot of our foodstuffs as well as essential goods, moves back and forth on an interprovincial basis. I see difficulty in the Minister trying to regulate that type of legislation.

As I mentioned I think the Act gives the Cabinet and the Minister in charge the authority to set the prices of any commodity where they deem there isn't enough competition. So you come back to possibly the Act would also contain a certain amount of combines or competition type of legislation in it in that it gives the Minister the jurisdiction to fix those particular prices.

As I mentioned, I don't think that we in the opposition can give this government that type of authority without denying some of the people the basic rights which they might have. As I mentioned my biggest concern on this whole thing which I really deplore is that people can be investigated, prices can be set, without anybody ever saying anything. The Minister can sit down in his office and decide to set a price and bring it to Cabinet and they say, okay, we're going to peg it at that, and the industry or the farmers involved, or the different commodity groups that are involved in the particular price setting of that particular commodity have no say in it at all. They haven't even got an appeal mechanism.

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(MR. BANMAN cont'd) . . . .So on those grounds, Mr. Speaker, I can't support the bill. Thank you.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON (Wolseley): Mr. Speaker, likewise I have many reservations about this bill. I would certainly want to suggest to the - and I have to call him, from the quiet school teacher now, to the Minister of Control - I'd like to suggest that this 20 staff people could be continually reporting to the federal people. I think one thing that's very clear in this session has been that this seemingly quiet Minister has now become a very influential and powerful person, if all these bills go through, because there is many control bills in this session. And I think this is one that requires more study, and I'm surprised that such a far reaching bill would be jammed in at the end of the session. I think that the industry should be consulted and it's very, very dangerous in my opinion, not to be able to have an appeal. --(Interjection)-- Well I think it's on the principle of the bill. You have of course the hardware, and you have the Public Utilities Board, and the rent control, and many other controls that the Minister of Control is getting under, and this is one that requires a good deal of study, because I think it's extremely dangerous for any Minister who may be on a power trip to have this type of legislation in his favour.

I think what I'm worried about too, is what we call border stores. We may eventually, because of the controls that this Minister is getting into, we may set up Kenora as a mecca for shoppers, where we may be able to because of the situation, not be able to buy commodities in this province; maybe there will be no coffee or no sugar, and we'll all have to travel to Kenora to pick up our year's supply.

I'm also concerned, again, because continually in his Estimates I've tried to ask the Minister when he is going to dismantle his department. He keeps looking for justifications for these 20 staff members, and this seems to be another area where he's going to have them out doing a certain policing job. And I just can't really support the bill on the basis that it may be a good situation to be able to monitor prices, that if you have the federal people not doing their job, then approach the public, approach the media, and say the federal people have got a terrible situation, they're shirking their responsibilities and if they don't smarten up we're going to take over. But to take over without consulting the Federal Government is in my opinion a waste of taxpayers' money, a duplication of services, and I think it's extremely questionable to put this type of added power in the Minister's hands where he can turn around and set prices without any appeal by the particular industry.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I move, seconded by the Honourable Member for River Heights, that debate be adjourned.

QUESTION put, MOTION carried.

BILL NO. 94 - AN ACT TO AMEND THE QUEEN'S BENCH ACT (2)

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General)(Selkirk): Mr. Speaker, I wonder if I would have consent to introduce Bill 94.

MR. SPEAKER: Does the Honourable Minister have consent? The Honourable Attorney-General.

MR. PAWLEY presented Bill 94, an Act to amend The Queen's Bench Act (2), for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, I now know how it feels like to be a skunk invading a garden party. --(Interjection)-- Mr. Speaker, I do want to apologize to the House for bringing this bill in as late as it is, but there was a great deal of consultation involved with the County Court and with the Court of Queen's Bench, and many details that had to be worked out. So I do certainly apologize that we're bringing it in at this time. It is

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(MR. PAWLEY cont'd) . . . .also a bill which does in fact implement the administration of a project which was announced, I believe well over a year ago, that we were working on, so I think the bill itself would come as no surprise to any members of the Legislature because it does establish a project which was announced between twelve and eighteen months ago, and what we're doing here is developing the administration for that project.

Mr. Speaker, I think in Canada today one of the most obvious needs for reform is in the area of courts that are responsible for the administration of family law. In Canada today, we have in all provinces, gross fragmentation of the family court system, which only heaps upon the users of that court system a great deal of confusion, frustration, and despair. I think that governments throughout Canada can be criticized for having permitted this archaic and fragmented system to exist for too long, and it is because of that type of concern that we are proposing to establish to commence within the next few months, a pilot court project in the Province of Manitoba, a unified family court. Presently in Manitoba there are three courts which have involved in the field of family law, the Family Court, the County Court and the Court of Queen's Bench, and each and every one of those courts involve themselves with matters pertaining to family law, whether it be wardship, custody, adoption, maintenance, partition and divorce; parties have to end up going to different courts, so that there is unnecessary waste, duplication, expense involving judges and lawyers, sometimes parties having to appear in two courts in order to obtain the final resolution of a matter pertaining to a family dispute.

This is a system, unfortunately, that has grown over the years, but has grown into such a structure that I am satisfied that it no longer meets adequately in many respects the problems confronting us in the field of family law. Many matrimonial or family disputes for instance that commence in the Family Court eventually also end up in the Court of Queen's Bench. And as mentioned earlier, judges and lawyers and witnesses often end up duplicating themselves, adding to costs, costs to the courts, to the legal aid system, court reporters, transcripts, and all of the rest.

It was a result of this that the Law Reform Commission in Manitoba proposed some time back, that in fact we do establish a family court pilot project in Manitoba, and the court that was proposed by the Law Reform Commission for the development of this project was the County Court of St. Boniface. There were a number of reasons for that. I should mention first that the Family Court of St. Boniface does involve the district of St. Boniface, covering the south east corner of the province, including the community of St. Boniface, everything to the east of the Red River and south of the Trans Canada Highway. It's a community of many different ethnic groups, French, Mennonite, Ukrainian, Anglo-Saxon, of different religious groups, and also a district which is part rural and part urban, so it was for these reasons that the Law Reform Commission proposed that it be that particular County Court District that we establish the project in.

The Law Reform Commission has been consulting with the Chief Justice of the Manitoba Court of Queen's Bench, His Honour Chief Dewar, and County Court Chief Judge Philip, and also His Honour Judge Dureault of the St. Boniface County Court. It is also the intention that all the judges named will be involved with the Law Reform Commission in the development of the family law project. The purpose of involving all the judges is of course to ensure the credibility of the project, to ensure that the system developed in the County Court District of St. Boniface could be applied successfully elsewhere in the Province of Manitoba, or in any other of the provisions.

The question might be asked, well why are we using the County Court for this type of project, why not the Provincial Judges Courts in Manitoba? The reason for that is a very practical one. The provincial judges are unable to deal with divorce, under the British North American Act divorce is the responsibility of the Federal Government so that only federally appointed judges are able to deal with the jurisdiction of divorce. As a result of that, we are left with no alternative of course but to develop such a project through the County Court.

This project, I think, will be an improvement over the one that was developed in British Columbia. I had an opportunity about a year ago to visit that project in British Columbia and there are many features of that project I was impressed with. But I think



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(MR. PAWLEY cont'd) . . . .our project has an advantage, to the extent that that project really was a unified court in that all the functions were occurring within the one building, but the County Court judge would have to attend within that building to deal with those functions pertaining to the Family Court, the County Court judge would have to appear dealing with those functions that were the responsibility of the County Court. So it was not really a unified Family Court project in a way that we would like to envision a pilot project of this nature to be, it was not unified except that all the proceedings took place within the one building. In my mind, Mr. Speaker, this is not a unified family court in the same way that we would want to develop such a unified family court throughout the entire province.

But even saying that, there were certain advantages insofar as the British Columbia project was concerned in contrast to the existing situation all across Canada, in at least the parties only had to appear at one site, in one court building in order to deal with their problems, and also to deal with a support staff, whether its the counsellors, the social workers, the Children's Aid people that were involved, all work from the same building. So there was an advantage to that extent, but there was still the fragmentation insofar as responsibility on the part of the judges that were involved in that project.

The costs of this project. We have entered into discussions and there is a committee which consists of representatives from our Department of the Attorney-General, from the Manitoba Law Reform Commission, and includes the judges named, plus representatives of the Federal Government. We have developed cost-sharing arrangements, which basically are that all the cost pertaining to the Family Court Project will be divided 50-50 insofar as all additional costs that are thrust upon us as a result of the additional services that are provided within this court, which do not presently exist within the St. Boniface County Court. So that, for instance, the existing building, the existing services, which presently are there, will continue to be the total responsibility of the province, but additional costs which are introduced because of this project will be cost-shared on a 50-50 basis with the Federal Government.

Those, Mr. Speaker, are the main arguments giving rise to this project. I'd hoped to avoid bringing in this legislation at this point. I checked twice to ascertain whether it was really needed, whether or not the project might not get under way until early next year, in which case we could have proceeded with this legislation next February or March. But apparently, Mr. Speaker, there's real expectation that the project will commence prior to our again meeting in session, and therefore there was no alternative but to pass the legislation this session, so that they would be able to proceed in the event that they are ready, which they anticipate they will be, some time next fall.

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

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

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): Mr. Speaker, I note that the Honourable, the Member from Birtle-Russell is with us, and I wonder if he's prepared to now discuss Bill No. 80, which is standing in his name.

MR. SPEAKER: The Honourable Member for Birtle-Russell, on Bill 80.

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, not on Bill 80. I'm prepared to go on Bill 89.

MR. SPEAKER: Very well, on Bill 89.

BILL NO. 89 - THE STATUTE LAW AMENDMENT ACT (1976)

MR. GRAHAM: Mr. Speaker, every year in this Chamber we seem to have the habit of bringing forward an omnibus bill, dealing with changes to the various statutes that are on our books. This year that bill is fairly significant, it covers some 54 or 55 statutes. It's a bill that requires a lot of time to study, and it's rather difficult to talk about a principle, Mr. Speaker, when you're dealing with 55 specific bills and amendments to specific bills.

(MR. GRAHAM cont'd)

I noticed, however, Mr. Speaker, that of the 55 bills that have been brought here, 23 of those amendments that are being proposed are of a substantive nature. They are not mere housekeeping, they are bills that change a policy, or they change a direction in some way or another, with respect to the various bills that are involved.

And, Mr. Speaker, I have to say that I have no fault at all with a statute law amendment bill of an omnibus nature which deals with typographical errors and changing of wording because of new titles that have been given, and things of that nature. But when there is a different policy being enunciated, I'm not that happy with bringing it into a statute law amendment bill of this nature.

For instance the first bill that is dealt with is The Anatomy Act and that is purely of a corrective nature where we're changing the word "director" in place of the word "recorder". Well that is fine, there's nothing wrong with that.

But when you get into the second one dealing with the changes in The Animal Husbandry Act you've got a far broader field being put forward here. You're talking about the responsibility, that it placed on the - or what had been in the Act where the owner of a dog that could have been considered to have been dangerous or vicious, that has now been changed. It's no longer the owner but it's also anyone else who keeps that dog. Now if I have a dangerous dog and I don't want it to run loose, I turn around and I give it to the Member for Riel to look after for me while I take my wife out to dinner. He then becomes responsible for all my responsibilities with respect to that animal. It is a rather significant change that is being proposed here.

When we come to the next one, The Assignment of Book Debts Act, I think that you have to put that one together with another one, The Bill of Sales Act and the Garage-keepers Lien Act, and it deals with the property registry that the province has been talking about for two or three years. What this change says is that we will change it from 1976 to 1977, the commencement date. What does that mean? Well to me, Mr. Speaker, it means that either the Attorney-General or whoever is responsible for that property registry has not been paying too much attention to what has been going on, that the program is not proceeding according to the scheduling and we have had to defer for another year implementation of that property registry. In other words, Mr. Speaker, what these changes mean, it's to cover up for some of the slowness and the failures that have occurred in the establishment of the property registry. Sir, I think that when the Minister closes debate on this he'd better tell us why. Give us some reasons why this thing has to be deferred another year.

Not only that, Mr. Speaker. At the same time when you get to the final portions of the bill you find out that he wants - even though he's going to defer the implementation for another year - he wants the sections to be retroactive to the 25th of May, 1973. So that gives you an indication, Mr. Speaker, of the time frame that we are working in. The property registry which was adopted by this House in 1973 still isn't in operation. We were told at that time I believe, if memory serves me correctly - and I haven't checked it with Hansard to make sure - I believe we were told at that time that it would be approximately two years to set the whole thing up. Well, 1975 has come and gone, 1976 is in the process of going and the Minister wants it revised, target date for 1977. I think that that's two plus two.

A MEMBER: That's intermediate mathematics.

MR. GRAHAM: I guess according to the Member for Radisson a pair of deuces is a pretty fair hand, I don't know.

Now, Mr. Speaker, we get on to changes in The Attorney-General's Act where the Attorney-General has announced that he's going to increase the fees for witnesses that have been called by the Crown in various trials. I think that that is a very good move. I think in the past it was \$4.00 a day and that was a rather ridiculous figure. In introducing this, I think he mentioned a figure of \$8.00 a day, but he has the authority under the Regulations for the Lieutenant-Governor-in-Council to prescribe the fees and the allowances. Well, that's all right, Mr. Speaker. I don't know if the Honourable House Leader, the Minister of Mines has noticed that the Attorney-General has also put one

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(MR. GRAHAM cont'd) . . . .other little thing in there too. --(Interjection)-- Knowing the temperament and some of the philosophy of the Minister of Mines, I think that he would probably take exception to the fact that notwithstanding any regulation made under that section, that the Deputy Attorney-General. . .

MR. F. JOHNSTON: That's you Harry.

MR. GRAHAM: . . . the Deputy Attorney-General may alter them. So this is the first time I've seen legislation which gives a Deputy Minister the right to maybe not overrule but change the rulings of the Cabinet. I'm sure that's going to cause some concern to the Honourable House Leader. However that's the way it reads here and I think that the Attorney-General is willing to live with that. So we'll see what the Honourable House Leader has to say about it.

There are some other things in here, Mr. Speaker, that I choose specifically not to deal with because I believe there are other members on this side that may want to say a thing or two about the changes, for instance, to The Manitoba Public Insurance Act. Many of these amendments are, as far as I can see, fairly good.

But I would like to ask the Minister to check the amendments to The Companies Act. In that particular one we find that the Community Development Corporation can now form any development corporation almost anywhere and they no longer have to be concerned about the municipality or LGD being able to raise the necessary funds. That has been removed from one of the criteria. I think that is maybe a carte blanche for the Community Development Corporations to organize wherever they want for almost any reason they want, and they don't have to worry about the money. So from that I would imagine that the money will be forthcoming from some other authority and we'll know about it probably next year when the Provincial Auditor starts having some questions.

When we get down to The Fatality Enquiries Act, Mr. Speaker, there is some concern expressed here and perhaps I should talk about it after . . .

MR. SPEAKER: Order please. I wonder if the honourable member would . . .

MR. GRAHAM: 12:30.

MR. SPEAKER: Right. The hour being 12:30 I am now adjourning the House and the House stands adjourned until 2:30 this afternoon.