

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 29 June, 1982

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Member for Ellice.

MR. B. CORRIN: Yes, Mr. Speaker, I beg to present the First Report of the Standing Committee on Privileges and Elections.

MR. ACTING CLERK, G. Mackintosh: Your Standing Committee on Privileges and Elections beg leave to present the following as their First Report:

Your Committee met for organization on March 4, 1982, to consider persons suitable and available to be appointed as Ombudsman for the Province of Manitoba, as referred to in subsections (1) and (3) of Section 2 of The Ombudsman Act. It was agreed that the position be widely advertised in a number of local and national newspapers with a deadline date set for April 15, 1982.

One hundred and ninety-two (192) applications were received from across Canada. Discussion meetings were held on April 22, May 6 and May 27, 1982 to review all applications. Subsequent to these meetings, it was agreed that interviews would be held with ten (10) selected candidates. Interviews were held on June 10 and 11, 1982.

Your Committee met again on June 29, 1982 and agreed to make its report to the Lieutenant-Governor-in-Council with respect to the person recommended to fulfill the duties of Ombudsman for the Province of Manitoba.

All of which is respectfully submitted.

MR. SPEAKER: The Honourable Member for Ellice.

MR. B. CORRIN: Mr. Speaker, I move, seconded by the Honourable Member for Burrows, that the report of the Committee be received.

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, I would like to table the Annual Report of the Manitoba Health Services Commission for the period ending March 31, 1982.

MR. SPEAKER: The Honourable Minister of Education.

HON. M. HEMPHILL: Mr. Speaker, I would like to

table the Teachers' Retirement Allowances Fund Board 1981 Annual Report.

MR. SPEAKER: Notices of Motion . . . Introduction of Bills . . .

The Honourable Member for Turtle Mountain.

POINT OF ORDER

MR. B. RANSOM: Yes, Mr. Speaker, I would like to point out that on the Order Paper before us there is an error in that it shows that during Adjourned Debates on Third Readings, the bills which we dealt with at this morning's Sitting are Adjourned Debates on Second Reading.

MR. SPEAKER: I regret the error that does appear in the Order Paper. Bills 44, 48, 49 and 59 should be listed as for Second Reading, not for Third Reading.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, my question is for the Minister of Health. I would like to ask the Minister of Health if Dr. Harry Prosen has been asked to prepare a report on delivery of mental health services in Manitoba?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, yes, we've asked Dr. Prosen to give us the benefit of his experience. It's not an official report. I mentioned during the debate in my Estimates, that at my request we had a few meetings and he's had some ideas and I asked him to put it on paper. If you want to call that a report, yes, he has been.

MR. B. RANSOM: Mr. Speaker, a supplementary to the Minister of Health. Will Dr. Prosen be meeting with members of the public in the preparation of his report?

HON. L. DESJARDINS: No, Mr. Speaker, it's not that kind of report. We already have his report; it's a study; it's his ideas. After discussing with different people, we intend to meet with Dr. Prosen some time next week to see how we could get the value out of this report and discuss it with staff, with different groups that are interested in the mental health field. I might say that one of the reasons for that is that there is a good chance that we might lose the service of Dr. Prosen, that he might be leaving the province. He's received quite an attractive offer. We've done everything to try to keep him here and I don't know if we'll be successful, so he's offered to work with us to give us some of his ideas. I think we know that he is quite respected in this field and this is what we've done.

MR. B. RANSOM: Mr. Speaker, I'd be interested in knowing how broad the terms of reference were for

this study, and also whether or not the Minister will be providing the report to the Members of the Legislature.

HON. L. DESJARDINS: Mr. Speaker, I've tried to explain that it is not that kind of report with terms of reference and so on. It's a discussion that we've had with Dr. Prosen; he's talked about different ideas and I've asked him to put it on paper. I consider that an internal document and I don't think that it would serve any purpose to release it at this time. It might be that once this is studied and discussed with other people, we might have a report, or this might lead to certain policies that we might have in the department, and of course we'll make that known when the time comes.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker. I would direct my question to the Minister of Education, and would ask her whether she could confirm that her department is proposing to cut back the number of teaching staff at Falcon Lake from the current level of three to a reduced level of two staff.

MR. SPEAKER: The Honourable Minister of Education.

HON. M. HEMPHILL: Mr. Speaker, I'd like to thank the Member for La Verendrye for giving me notice of this question so that I could get the information for him. The enrolment at the school has gone from 40 last year down to 29 students. It dropped to about 37 in the middle of the year. They are proposing to reduce one teacher at that school. Last year with three teachers, one teacher had a K-3, one teacher had a 4-5, and one had a 6-8. This year they're looking at organizing so that one teacher will be teaching from grades 1-4 with 14 students, and one will be teaching from grades 5-8 with 15 students. I must say that I have some concerns in matters like this, not just of the number of children that are being taught, but the range of classes that those teachers will have to teach.

This teacher that has been hired is exceptionally qualified in terms of Music and French and will be able to handle those programs very well. We are looking at hiring a teacher aide to give additional support to those teachers and I think that we will be looking at that very seriously in the next year. We will want to make sure that the quality of the program does not go down and that the teachers that are there can adequately handle the program. So I thank him for bringing this to my attention and will be looking at it very seriously.

MR. R. BANMAN: Thank you, Mr. Speaker. A supplementary question to the same Minister. In light of the fact that the enrolments have fluctuated over the last number of years because of some of the transient population; in specific, the people that are stationed there from the Trans Canada Pipe Line, would the Minister ensure the House that should there be an influx of students, back to a level of 34 or 35, that the department would again be reinstating this position to ensure that the people out in that particular part of Manitoba can receive the best possible quality of edu-

cation with regards to this K-8 school that is presently out there serving the residents of the Falcon Lake area?

HON. M. HEMPHILL: Mr. Speaker, the Member for La Verendrye is quite right when he talks about a transient population. For instance, the RCMP member is leaving this year. He's leaving and taking two children and the replacement is single and doesn't have any children. I'd like to indicate to him that in a situation like that, we will be watching and monitoring it very closely, and if there is an increase in the numbers of children we will be prepared to meet the enrolment requirements of that school.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Speaker, I have a question for the Minister of Mines and Energy. Mr. Speaker, through you to the Minister of Mines and Energy, could the Minister of Mines and Energy confirm that the new oil fields or the newly developed oil fields in the Waskada district or in the area of Waskada, Manitoba, which is in the extreme southwest corner of the province, are probably one of the most active and the most promising oil fields anywhere in Canada?

MR. SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Mr. Speaker, I think I've indicated that the drilling in Manitoba has been going ahead at a much faster pace than in previous years, and this is, I think, a cumulative development and the probability for drillers is that if they find anything in Manitoba they have a probability of finding oil. In other areas they are finding gas, and gas right now doesn't create cash for them so there's been a lot of activity in southwestern Manitoba.

MR. J. DOWNEY: In view of the fact that all that activity is taking place, Mr. Speaker, and the Minister of Mines and Energy at the meeting of the Surface Rights Owners Association in Virden on the 25th of March of this year, the Minister committed himself to forwarding legislation that would give protection to the surface rights owners; and in view of the fact that I, Mr. Speaker - and I know the Minister is aware of certain particular cases where landowners are not getting along as well as they could with some of the oil companies in that area - not all of the oil companies, some of the oil companies are treating the landowners very well, but there are some specific difficulties that are taking place and the people have requested surface rights legislation to protect them - how does the Minister plan to give those landowners the protection without the legislation that he has promised that he would give them, Mr. Speaker?

HON. W. PARASIUK: Mr. Speaker, I indicated I would be trying to bring in surface rights legislation this Session, but that I couldn't commit myself to doing so in that I wanted a full consultative process, and I asked the Surface Rights Association to themselves send in a brief commenting on the Nugent Report. I also asked various other parties to send in briefs on this

and that consultative process has taken a bit of time and as a result I am not able to bring the legislation in this Session; I hope to bring it in right at the beginning of the next Session of the Legislature.

At the same time, I think I made the general parameters of policy known; that we do want to have farmer representation on a Surface Rights Board; that we do want to take their interest into account more so than might have been the case in the past, and in the interim we do have a mining board that can adjudicate in these matters if in fact that's required. In most instances to date, historically the two parties have been able to work this out. We hope that'll continue, and we hope that all parties will bear in mind that which we want to accomplish in the next Session with the surface rights legislation.

MR. J. DOWNEY: In view of the fact, Mr. Speaker, that a lot of the decisions made are dealing with the agriculture community and the feelings of the agriculture community, I believe, should be protected, and in view of the fact that he hasn't moved with legislation, would the Minister of Mines and Resources move to put an agricultural person on the Mining Board so that those people in rural Manitoba, in the farming community, can feel that they have an individual who understands the costs and the specific cases that they in fact have to deal with? Will he move to put an agriculture person on the Mining Board so they can be assured that they are heard fairly on their own behalf?

HON. W. PARASIUK: Since the Mining Board deals with a whole set of other cases, I don't think I can make that commitment, but I can undertake to discuss this matter with the Surface Rights Association. I certainly have been told by them that they felt they've had good access to the Minister, to the department, over the course of the last six months and we certainly would like to pursue that, and I'll certainly take the member's suggestion under advisement.

MR. J. DOWNEY: A final supplementary to the Minister, Mr. Speaker. During the Estimates of the Minister - I'm not sure if it was the Estimates of the Minister or the Resource Development Corporation - I had asked the Minister if he would forward to the Minister of Highways a request to upgrade some of the major roads and the arteries that haul that oil out of the southwest corner, Mr. Speaker, because a lot of the particular roads are traveled by school buses, extremely dusty, and there is a danger factor, plus the weight which is going over those roads, Mr. Speaker. I would ask the Minister if he would proceed to upgrade those roads or prepare to do so this coming year, because with the appearance of all the oil activity taking place with heavy equipment, amount of oil moving, that in fact, that kind of service should be provided, because, Mr. Speaker, I'd have to ask the Minister if that isn't the only bright spot that they have in the whole Province of Manitoba in the economy at this time.

HON. W. PARASIUK: Mr. Speaker, I indicated to the member that I will be going through the area with representatives of the various oil companies that are conducting exploration and development in the area. I

hope to take a look at the situation firsthand. I certainly hope that I might meet with some of the municipalities at that time, and I would then be forwarding any recommendations that might arise from those meetings to the Minister after that Session.

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

MR. J. MCKENZIE: Thank you, Mr. Speaker. I have a question for the Honourable Minister of Education. When could the Minister advise the House if they can now put their finger on the problems experienced in Grandview School, environmental problems, a few weeks ago?

MR. SPEAKER: The Honourable Minister of Education.

HON. M. HEMPHILL: Mr. Speaker, I think at the time we communicated what the cause was at that particular school. As I recall, it was a situation where a ventilation duct was blocked and that was corrected. I also indicated at the same time that we were communicating to all school divisions to ask them to do inspections to ensure that there were no problems in other schools.

MR. W. MCKENZIE: Mr. Speaker, can I ask the Honourable Minister who is now responsible and must pay for the charges to upgrade the environmental system in schools such as Grandview, Neepawa, and there are other schools in the province that are facing those kinds of problems? Is it left to the local school division or is the province going to assume some of the costs?

HON. M. HEMPHILL: Mr. Speaker, I think we would look at each individual case and look at what the situation was. There is a budget in the Miscellaneous Capital Grants in the Department of Education, and it is quite possible and probable that in extraordinary circumstances that are beyond the control of the school division where the costs are high and would be a burden to them, that we would look seriously at giving some financial support.

MR. W. MCKENZIE: I wonder could the Minister advise the House of the fact that she or the department or the government now are prepared to go out and take a look at some of those schools from that era and see if there's other problems in some that hasn't been anticipated up to now but may show up in the next while, or is that maybe not a fair question?

HON. M. HEMPHILL: Mr. Speaker, I thought all questions in this House were fair. I think that we are looking at undertaking a Capital Projects Review in the Province of Manitoba to determine the state and the quality of the existing schools and the need for either renovations or additional schools. It will take a little while but it is a project that we're going to be undertaking in this next year.

MR. SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Speaker. My

question is to the Minister of Environment. Some months ago, I raised the question with the Minister of Agriculture, as well as the Minister of Environment, regarding the financial difficulty that the operators who removed dead farm animals were having and since that time, I understand some of the Ministers have been meeting with the operators and gave some indication that there was possibly some financial help could be forthcoming. Since that time, I'd just like to indicate that the operator in Neepawa has been closed as of today and Pilot Mound and Beausejour are closing, I believe, July 1st. I'm just wondering if the Minister can indicate whether they are still planning to proceed to give any assistance, and when?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. J. COWAN: Mr. Speaker, as the Minister of Agriculture indicated when he responded to much the same question a couple of days ago, we did meet with a number of operators in the province and he suggested at that time that there were discussions undertaken and that there were some activities that were ongoing in respect to reviewing the situation. It's my understanding that those activities are still ongoing and from the perspective of the Environmental Management Division, all I can add to it at this point is that there are regulations in place which will be enforced if, in fact, it is found that they are being violated in respect to the proper disposal of such animals.

MR. A. DRIEDGER: To the same Minister, in talking with the operators they indicated that if there was some assurance coming from the government that there would be some assistance possibly forthcoming that they might continue to operate, but the concern that they have is the time frame that is involved.

Can the Minister indicate whether they are planning to initiate a program at all and if so, could they get back to the operators and indicate the time frame that they can be looking at?

HON. J. COWAN: What I can do is take that question as notice for the Minister of Agriculture who is now involved in those discussions and I will forward the concerns of the Member for Emerson on to the Minister of Agriculture and ask him to respond to him in respect to that specific question. I'm sorry I can't provide him the answer right now, other than to say that we did meet with the groups, we had what I considered to be productive discussions with the groups and that it was left that the Minister of Agriculture would, in fact, be in contact with them.

While I'm on my feet and addressing the question from the Member for Emerson, I'd like to also answer a question which he'd asked some time ago in respect to whether or not my department or the Environment Management Division had issued a directive canceling chemical spraying on Crown lands and road allowances. I can indicate to him that we have not issued any such directive.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, my question is to the Honourable Minister of Health. I would ask him whether the wage guidelines announced by the Federal Minister of Finance last night for the federal public sector, and urged upon the provinces and upon Canadians in general by the Federal Minister, will have any bearing on the current status of negotiations between the MMA and the Health Services Commission on a new Medicare fee schedule?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, the Premier left for Ottawa earlier this afternoon and he will meet with the Federal Government. I guess we'd want an explanation of some of the things that were said. We are to meet in a special meeting of Cabinet later on early next week, so I don't think that I'm in a position to answer that at this time.

MR. L. SHERMAN: Mr. Speaker, can the Minister advise the House whether, at the present time the Health Services Commission's offer to the Manitoba Medical Association is holding at 10.5 percent?

HON. L. DESJARDINS: Mr. Speaker, as I reported a few days ago, actually what's on the table now, I think it's around the 10 percent; I'm more familiar with the figure - I don't think percentages mean that much - it's \$9,500. A final decision hasn't been made on that, but actually that's what's on the table now.

MR. L. SHERMAN: Mr. Speaker, can the Minister advise whether the MMA has requested any meetings at this time, in this current space of time, these 48 hours or these next 72 hours, to resolve this decision, or are both sides going to wait and see what comes out of the federal-provincial meetings relative to the Budget and to the wage guidelines that are being proposed by Ottawa?

HON. L. DESJARDINS: Mr. Speaker, I think it is quite clear, the position of the government. The MMA would have an agreement now if they would have settled when it was supposed to be the final meeting. I don't think that anybody would have reneged from that unless there is some understanding between the Federal Government and the provinces.

The situation is that I haven't had any requests other than the letter that I read here a few days ago, that I informed them that the Manitoba Health Services Commission would not put any more money on the table, but if they want to discuss the division of the money, they would be glad to meet with them.

MR. L. SHERMAN: A final supplementary, Mr. Speaker. Would the Minister and the Commission settle with the MMA if the MMA asked for a 10.5-percent settlement this afternoon?

HON. L. DESJARDINS: The Minister and the Commission would have gladly settled a few weeks ago when we upped the ante to make it attractive, to have a settlement; that was refused. It wasn't recommended. In fact, the executive recommended against it and a very small majority rejected it.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Thank you, Mr. Speaker. My question is to the Honourable Minister responsible for Housing. In conjunction with the Budget about seven weeks ago the Minister announced a \$50-million program of expenditures on housing initiatives in the province. As well, under questionings a little while later, the Minister indicated that he would be able to define the programs for which this money will be spent prior to the end of the Session, I believe. We have not yet had an announcement and I wonder if we could have some announcement from the Minister, an indication for what types of programs in housing these funds will be used.

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, yes, it's quite true that I indicated that I'd hoped to be able to put some definitive outline before members in respect to the \$50 million that we have targeted for housing development. I did indicate in the statement that I made in connection with the Core Area Initiatives Housing Repair that \$10 million of the \$50 million that we had committed was appropriated for the funding aspects of that program.

In respect to the balance of the \$40 million, my department has been working very closely with representatives of Central Mortgage and Housing Corporation and in consultation with the Federal Government in respect to the Federal Government programs and initiatives in this area, such that we would coordinate our efforts in respect to housing development. We were awaiting decisions in respect to a program that the Federal Government had enunciated in respect to housing development.

Subsequent to that, of course, there have been some new decisions taken by the Federal Government and at the present time, the staff of the department of the corporation are perusing these latest announcements in order to determine how we can coordinate our program with these further initiatives because we want, of course, to utilize the federal initiatives in conjunction with our programs so that we're not duplicating and we're taking full advantage of all of the federal monies that are available in these programs.

MR. G. FILMON: Well, Mr. Speaker, we're disappointed to learn that announcement then was indeed not a \$50-million program but a \$40-million program, because the \$10 million in the Core Area had been committed, prior to the taking of office of this government, in the \$96 million Core Area Initiatives Program as part of our provincial contribution. As well, Mr. Speaker, I wonder why the Minister is not prepared now when he gave what I believe was a firm undertaking to lay the detail of the program out when the item was being considered in Supply.

HON. A. MACKLING: Mr. Chairman, I'm not sure whether that was a question, but I feel obliged to respond to that statement. In respect to the \$10 million that we've referred to, it is my understanding that is not tied in with the Core funding initiatives of \$96-

some-odd million that's involved in the Tripartite Agreement. This is a housing initiative that is complementary to that thrust, so it's \$10 million additional housing in respect to the Core Area Initiative.

MR. G. FILMON: My further question, Mr. Speaker, which the Minister perhaps missed, was why are we not in a position to deal with this as the item is considered in Supply as he had earlier promised?

HON. A. MACKLING: Well, Mr. Speaker, I thought I'd indicated to the member and to all members that we have been working closely with Central Mortgage and Housing Corporation, the Federal Government's agency in respect to Housing, and they had announced a program recently and the deadline was yesterday in respect to the take-up of that program. We have to know the take-up of that program in order to adjust our program. We were just getting that information on program take-up when we learned that there was going to be a new Budget announced and last night the Minister of Finance of the Government of Canada in Ottawa indicated a further housing initiative - apparently some hundreds of millions of dollars that will be involved in the housing sector. We are, at the present time, examining those proposals so that we'll be able to know how we can coordinate our initiatives with those federal proposals.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Thank you, Mr. Speaker, I direct this question to the Honourable Minister of the Environment. There are disturbing reports coming from Saskatchewan about fairly serious outbreaks of Encephalitis in the Saskatchewan horse population. First of all, can the Minister confirm that that is the case, and can he confirm that his department is monitoring the situation as to possible spreading to Manitoba?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. J. COWAN: Basically I can confirm that we have in place, as a government, the interdepartmental committee which has been in place previously, the Arboviruses Surveillance Committee. We also have sentinel flocks out in the field to do the type of testing which is done as a matter of course at this time of year. I've just recently perused the Minutes of the latest meeting of that group, which was in June, and they indicate that there was no sign of Encephalitis at this time but that they were going to be continuing their monitoring in an expanded way as a result of last year's activities and the lessons that were learned from that. I'm also pleased to be able to tell the member that the Clean Environment Commission is still considering the whole aspect of spraying with different larvicides as well as insecticides and that we expect a report from them very soon.

So, I think the interdepartmental committee at the staff level is undertaking the activities which are necessary to ensure that we have a complete understanding of the situation. I'm certain they are looking at Saskatchewan, in fact, they feel that the lessons or the experiences that are being gained in Saskatche-

wan at this time are of value to this particular province. They will be making the appropriate representations.

MR. H. ENNS: Mr. Speaker, I'd ask the Minister to confirm whether or not the situation is serious in Saskatchewan? Has he taken the time or has this committee, that he's talked about, been in contact with the officials in Saskatchewan to confirm whether or not there are serious outbreaks of Western Encephalitis occurring in that province?

Secondly, the direct question, particularly as a result of last year's experience: are we prepared with an emergency plan of action?

HON. J. COWAN: What I can indicate to the member, and I did indicate to the member and will do so again, is that the interdepartmental committee is in fact monitoring the situation. I am certain that their monitoring of the situation takes into account the experiences of the jurisdictions which are closest to us. Whether or not they have specifically contacted Saskatchewan, I would not be able to tell him at this time except I would be able to inform him that in the past they have undertaken that sort of communication in respect to this problem, so I would have to inform him that I would be of the opinion that they had done so in this instance as well. I'm certain that they will flag any specific or immediate concerns that they have. I can also assure him that the activities that are taking place this year are in no way out of the ordinary except that we have expanded the surveillance program and I hope that provides some assurance to him.

In respect to his specific question about an emergency program I think to discuss details of that type of program at this particular juncture would certainly be premature.

MR. H. ENNS: I direct a question to the Minister of Health, I may get a more straightforward answer, Mr. Speaker. I'm assuming that the Department of Health, of course, is a very major part of that committee that is monitoring the situation. My simple question to the Minister of Health is (a) is he aware of a possible situation that could arise with the current conditions in Saskatchewan and the current weather conditions, I might add, Mr. Speaker, moist, and now with heat coming on that brings on the mosquito populations?

Finally, is his department or is he as Minister, if faced with the kind of situation that the Member for Fort Garry was faced with not so long ago, would he be prepared to recommend the various measures and steps taken including the use of Baygon, should it be called for?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: The member had a choice as to where to direct his question as two departments are working quite closely together. I could have given a short answer; he received the long answer. I don't think I can add too much except that my department is in contact with Saskatchewan. The situation in Manitoba here is much better; in fact it's one of the best that we've had so far; there's been a press release issued on that. If and when there is a decision to be made, we will be ready to make the decision.

In the meantime, something that was organized by the former Minister of Health and Finance and by the Department of Health there was a conference of people not too long ago who addressed themselves to that and as announced in the House my confrere here, the department, is also looking at that; we should have a report pretty soon but if and when we have to move we'll be ready.

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker, my question is for the Minister of Co-operative Development. Yesterday he took as notice a question on my behalf and if he could provide me with the answer, I'd be greatly pleased.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. A. ADAM: Mr. Speaker, I'd be most pleased to respond to the question I took as notice yesterday; I was just waiting for the appropriate moment to catch your eye, Sir. In regards to the question regarding MANCO, an operation review was conducted by Tarry and Associates which is a management consultant firm. This review was conducted with the consent and approval with the Board of Directors and management of MANCO and commissioned by the Department of Economic Development. The report was reviewed by officials of the Department of Economic Development and Tourism, the Department of Agriculture and the Department of Co-operative Development and subsequently presented to MANCO's Executive Committee on Friday, June 25th, 1982. The Executive Committee of MANCO's Board is desiring to implement the recommendations of the report as soon as possible.

MR. D. ORCHARD: Since this matter of the two plants at Pilot Mound and Rossburn are of great concern to members on this side, would the Minister be prepared to table the report that he received on the 25th so that we can avail ourselves of the recommendations in that report?

HON. A. ADAM: Mr. Speaker, the report was undertaken by the Department of Economic Development. It is a confidential document regarding the internal operations of MANCO in view of the fact that they are having some difficulties at the present time. MANCO has been apprised of the report and they are attempting to implement those recommendations as soon as possible in order to turn the economic situation around that they presently face, Mr. Speaker.

MR. D. ORCHARD: Mr. Speaker, I find it a little difficult with the promise of an open government that the Minister will not allow Members of the Opposition to have access to a report which affects the jobs of constituents of ours at Pilot Mound and Rossburn and the lives of their families.

Mr. Speaker, a couple of questions to the Minister. Are the recommendations in that report in any way binding upon MANCO; and secondly, were the management of the two plants at Pilot Mound and Ross-

burn contacted to offer their opinions as to the operating capacities of the cheese plants at Rossburn and Pilot Mound?

HON. A. ADAM: Mr. Speaker, I don't think I'll respond to the first part of the question.

MR. D. ORCHARD: Mr. Speaker, would the Minister of Co-operative Development care to answer the question as to whether the management of the two plants at Pilot Mound and Rossburn were in any way contacted to have their input and recommendations into this report?

HON. A. ADAM: Mr. Speaker, I was attempting to respond but the Member for Roblin said, no. I took that to mean that he didn't want me to respond. Perhaps he should go and pick up dead animals like he's picking up pigeons.

In reply to the first question, Mr. Speaker, I don't think it would be in the best interests to make public internal operations of MANCO. In regard to the second question, the second part of the question, I haven't completely read the report as yet; I'm in the process of doing so, Mr. Speaker.

Mr. Speaker, there's so much rabble coming from members opposite it is difficult to reply.

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Yes, Mr. Speaker. I'm happy to report that there has been a very thorough study of MANCO carried out with the financial assistance of our department. With regard to the publication of such a report, Mr. Speaker, these types of reports, when you're dealing with a private company or in this case a co-op, it's done for the benefit of the operators or the managers of the private company and in a sense the report is their property because they're the ones who want the information and who need to take whatever action they choose to, after having the benefit of a consultant's report.

Mr. Speaker, it's not a report that was commissioned by the government to determine government policy, it was a report of the sort that our department often helps to fund to enable a company to make the best management decisions in its own interests, Mr. Speaker.

I'm sure that if the members opposite want to go and speak to the management of MANCO and if they choose to share what is in the report with the members opposite, that would certainly meet with our approval.

MR. D. ORCHARD: Thank you, Mr. Speaker. Since the Minister of Economic Development seems to know an awful lot more about the study into co-operatives than the Minister of Co-operative Development does, I hope she has given him a report so that he can avail himself of the information.

My question to the Minister of Economic Development, Mr. Speaker, is does she know if the management of the cheese plants at Rossburn and Pilot Mound were contacted to give their input into this report and the direction given to the operations there, particularly with a view to the unemployed workers in

those communities, and to the fact that milk is still being dumped at Rossburn?

HON. M. SMITH: Mr. Speaker, MANCO consists of several plants. They have a central management group and then each individual plant has its own management. The nature of the report is such that what was being examined was the total picture with the view, as all consultant reports are, to giving an objective, if you like, third-party opinion to the management so that they can take whatever actions are appropriate. So, Mr. Speaker, certainly all of the relevant management personnel of the group of companies were involved and I'm sure they all have access to the findings of the report.

MR. SPEAKER: Order, please. The time for Oral Questions having expired.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Mr. Speaker, with the permission of the House, I wonder if I could make a non-political statement.

MR. SPEAKER: Does the member have leave? (Agreed).

The Honourable Member for Tuxedo

NON-POLITICAL STATEMENT

MR. G. FILMON: Mr. Speaker, I'd like to extend congratulations to the Charleswood 16-year-old soccer team who this past weekend won the Modern Dairies Cup in the 16-and-under age bracket and I'm pleased to say, Mr. Speaker, and for the benefit of the Member for Flin Flon, that most of the members of the team reside in the constituency, happily, of the Honourable Leader of the Opposition, including my son, and some of the members of the team, happily, live in the Constituency of Tuxedo. So, on behalf of myself and I would hope all members of the House, I'd like to extend congratulations and best wishes to them as they embark on the Western Canadian Championships later this summer.

MR. SPEAKER: The Government House Leader.

HON. R. PENNER: I think it's only fitting that I follow that up by announcing that the results of the first annual baseball game between members of Cabinet and Caucus on one side, and Executive Assistants and Legislative Assistants on the other was a clear victory for Cabinet and Caucus and that the Government House Leader was 2 for 2 in the batting order and, without authorization, I issue a challenge to the members of the Opposition to a game in the fall — (Interjection) — baseball, we're talking about baseball.

MR. SPEAKER: Is that a non-political statement?

HON. R. PENNER: That is a non-political statement.

MR. SPEAKER: The Government House Leader.

HON. R. PENNER: Mr. Speaker, would you please call the Report Stage on Bills 21 and 58 in that order?

REPORT STAGE

BILL 21 - THE COMMUNITY CHILD CARE AND STANDARDS ACT

MR. SPEAKER: Shall the Report of the Committee on Bill 21 be concurred in?

The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, with respect to Bill 21, I wish to move, seconded by the Honourable Member for Tuxedo - I believe, Sir, that the distributed amendment says the Honourable Member for Kirkfield Park, but due to that member's absence at the moment, I will substitute as seconder the name of the Honourable Member for Tuxedo

That Bill 21, The Community Child Day Care Standards Act, be amended by renumbering Section 32 Further Assistance as

Section 32 subsection (1) Further assistance, and that the following new subsection 32(2) Special Assistance, be inserted immediately following the end thereof:

32(2) Special assistance.

Where the director is satisfied that

(a) a child of an employed, single parent is in need of day care; and

(b) the employment of the single parent is necessary for the child's and the parent's livelihoods; and

(c) the hours of the parent's employment fall substantially outside the hours of operation of a facility to which the parent, if his hours of employment coincided with the hours of the facility's operation, would otherwise reasonably seek and could reasonably expect admission of his child; and

(d) the parent, during his hours of employment, is bearing a financial expense to provide supervisory care of the child;

the director may, in accordance with and subject to the regulations, authorize payment to the parent of an amount of special assistance toward the financial expense of providing that supervisory care.

MOTION presented.

MR. L. SHERMAN: Mr. Speaker, the amendment that has been proposed to the House, Sir, is precisely the same as the amendment that was proposed to the Standing Committee on Statutory Orders and Regulations a few days ago when we dealt with Bill 21 in clause-by-clause procedure. At that point in time, the amendment was discussed, debated and ultimately subjected to a vote and failed to carry.

I moved it again at this point in time, Sir, because I would like to put it to the House in formal sitting with, Mr. Speaker, in the Chair.

Mr. Speaker, when I spoke on Second Reading of Bill 21, The Child Day Care Standards Act, I referred to it as mechanistic in the content that's available to the Members of this Assembly and to the public at the present time, that content being limited, of course, to precisely what is in the bill and the bill being limited, of course, to being an enabling piece of Legislation

which says nothing about what the ultimate standards in community child day care will be. The bill as it's currently written appears simply to establish the parameters for a structure that is not revealed in terms of its form and its relationship to people and will not be revealed in that respect until the regulations are drafted by government and enacted.

I, therefore, described the bill at that time as mechanistic. I was hoping that I would be disabused of that impression by the government, by the Minister and his colleagues, as we examined the legislation beyond Second Reading through committee stage, but nothing that I've seen in the Committee evaluation and examination of the contents of this bill, Mr. Speaker, convinced me that my description of it was inaccurate. In fact, Sir, I would have to say that the conclusion that one must come to, certainly the conclusion that I've come to is quite the contrary. I believe my assessment of it has now been confirmed. Everything about Bill 21 and virtually everything that has been said about it and, certainly, everything that's been said about it by its supporters on the government benches, both in this Chamber and in Committee, illustrate that it is overwhelmingly concerned, Sir, with one thing, system, SYSTEM. That is the thrust and direction and preoccupation of the bill. It is not concerned with people; it is not concerned with individual children; it is not concerned with individual parents or individual needs or individual circumstances faced by people. It's concerned with the system and with a piece of social machinery, no matter how desirable, machinery nonetheless and, therefore, as I suggested earlier, highly mechanistic. Everything is subordinated to that objective.

The Minister rejected the proposed amendment, the one that's before the House at the present time when it was in front of Committee, Mr. Speaker, on the grounds that it is inconsistent with the theme of the bill. The amendment seeks to help single-parent shift workers who need day care for their children and who are denied the opportunity to take advantage of or make use of day care for their children because of the hours which they work.

The Minister rejected it on the grounds that it's inconsistent with the theme of the bill; that it speaks to a special social circumstance that would better be addressed, Sir, under other legislation, social allowances legislation, for example; that it flies in the face of the principle of the bill, which apparently is a principle geared to establishing the ground and the ground rules for a day care system, a system that I have said takes precedence over everything else in the thrust and direction of the bill and a system that, like all governmental systems would be highly structured and regulated.

It's this systemization and the enshrinement of this idea of systemization that is obviously the goal of the government in this legislation. Unfortunately, Sir, because there is such emphasis and preoccupation with that goal, there's little, if any, room at all left in the legislation to respond to people and their problems.

The amendment addresses a problem of people, individual people and individual problems for those people, parents and children who are denied the use of and access to day care because of circumstances affecting their means of livelihood, their hours of

work, the shifts that they work on their jobs.

Where better to address problems of that nature, in a bill that purports to be interested in child day care, than in a Child Day Care Bill. But, the Minister, Sir, says that this idea, this concept in the amendment, is somehow foreign to the theme and the principle and the intention of the bill.

To support his defence of this emphasis on the system and his rejection of the amendment that would help some individual people, the Minister cites the weight, Sir, and the preponderance of a number of submissions, in fact, the majority of submissions and representations, on the bill that were made to the standing committee by various groups and organizations from the day care community, particularly the Coalition for Day Care and others who subscribe to the coalition's proposed recommendations. Those groups, all of them, made excellent representations; certainly, the Coalition on Day Care made a very helpful and valuable recommendation.

The Minister though, makes the quantum leap from there that that is what it's all about and all that's necessary to take into consideration. He says that those active spokesmen for the day care community who appeared before the committee and in the main, they were active spokesmen, legitimately for the day care community, commended the government, in the main, on Bill 21 which they did; saluted the government for bringing forward this vague legislation and stressed the need for measures designed to create an organized, well-supervised day care system. He says that the preponderance of those presentations lay on the weight of the need for a system; the desirability of a structured, organized system; that they put system first.

I don't dispute that; I don't deny that. But it's the Minister's job to weigh all considerations and factors in a sensitive way. I find nothing unusual about the fact that most of the representations made before the committee should have put some considerable emphasis on system.

Nobody disputes the desirability of organization and standards, Mr. Speaker. We, in this party support Bill 21 in its intention and that is to define, delineate and introduce standards in the community child day care field that will guarantee accessible quality day care for the families of Manitobans.

But we do not think it is desirable, Sir, that the Minister and the government should be so hung up on system that they are blinded to the beneficiaries whom, after all, day care from its inception, has been intended to serve, namely, parents and children. It seems to us that in the bill as it's presently drafted and in the approach taken to it by the Minister and his colleagues, and particularly in their unwillingness to look at this amendment seriously at committee stage and accept it, there is clear indication of the fact that they are blind to those persons who should be the main beneficiaries of any day care legislation or any day care initiative, i.e. parents and children who need day care.

Surely, any day care system, Mr. Speaker, should be designed first to serve people. That's what should come first one would think in the spectrum of objectives of a day care program or system. In this case, we've got a legislation and a thrust by the government

that seems to derive its whole emphasis from an intellectual ambition for organization and order. That is one of the major difficulties that we have with the bill.

As I said, Sir, I don't find it difficult to understand why many of the representations made to the Minister placed heavy emphasis on the requirement for getting this day care system organized and set in place. It's quite logical that should have constituted the preponderance of that testimony.

Most of the submissions and most of the representations came from day care professionals themselves and professionals whoever they be; whoever we be; wherever we are, are always quite legitimately interested in professionalizing our professions and that process requires organization and systemization.

Secondly, a considerable number of representations and arguments came from groups like the Manitoba Federation of Labour, who have a strong professional interest in the concepts of structured organization and system. There's nothing wrong with that, Mr. Speaker, except that the Minister should not then just close his eyes and say well, these views encompass the global world of day care thinking, because they don't; they encompass the global world of the professional day care worker and the supporter of the professional day care worker who has interests allied with the processes of organization and system.

The voice of the professional day care community is a large one and a vigorous one, as is the voice of many of those who supported the position taken by the coalition on day care, e.g. the Manitoba Federation of Labour. That voice is large, vigorous and experienced, Mr. Speaker, and it's natural to expect that it would and it should, make itself very effectively heard in any public or legislative forum studying the field of day care. It's also quite natural that it should place considerable emphasis on system as it did.

There's also the other voice, Mr. Speaker. There's the voice of the individual citizen who works hard; who does his or her job; who pays his taxes; who works all day or all night to support his children or her children and who knows only that he is deprived by special and unavoidable circumstances from access to day care that others enjoy and that his child needs and that he would enjoy or she would enjoy if he were working from 8 a.m. to 4 p.m. or 9 a.m. to 5 p.m., instead of working the night shift or the overnight shift. That voice, Mr. Speaker, is not as well organized or as experienced as the professional voice, or as the vested interest voice, and it is that voice that attempted to make itself heard by the Minister although it was obviously not as loud or as evident as the professional voice because this voice, the voice of the individual citizen in this case, is certainly in the minority for obvious reasons.

This voice, however, attempted to make itself heard by the Minister and heard by the committee and it's this voice of the individual parent with the individual problem whose plea was at the centre of the Special Assistance Amendment that was proposed by the Progressive Conservative Party in committee and rejected by government and is being repropounded here at Third Reading in the House, with hopes that it will this time be acceptable to the government. It's that voice, the voice of the individual citizen in special circumstances and difficulties that is at the heart of

this proposed amendment.

Mr. Speaker, let me also note, in attempting to make the case for the issue at hand and for the persons who legitimately deserve the kind of help proposed in this amendment, that in addition to his and the bill's preoccupation with system before people, the Minister and his government colleagues have raised a number of other arguments to try to justify their rejection of the amendment in committee. Sir, I want to address them briefly for just a minute or two here because at this stage in debate, which is the final stage of debate on the legislation, I would assume that if he has not come to the view that the amendment is acceptable he will raise these arguments again. These are arguments that he advanced in committee as reasons for rejecting the proposed amendment and I suggest that none of them stands up to scrutiny.

In the first instance the Minister said the Progressive Conservative amendment before you, Sir, amounts to little more than a paid baby-sitting service for shift workers and it therefore flies directly in the face of the bill whose theme is not social services in general, as I've indicated earlier in quoting the Minister, but whose theme is exclusively day care and specifically our day care system.

On the contrary, Mr. Speaker, I suggest to the Minister that the amendment does indeed speak specifically and exclusively to day care. If he reads the amendment I think he could not deny it. It does meet his criteria. The very first clause in the proposed amendment requires, Mr. Speaker, that the child must be in need of day care and the third clause specifies that the child would in all probability be in regular day care if the parents' hours of work permitted it. In addition to that, Mr. Speaker, I have to ask what is repugnant about a paid baby-sitting service if we're into day care. Isn't that how day care and day nurseries really got started? They're generally much more than that now of course but some of them can still be described, Mr. Speaker, in the main, as an alternate form of baby-sitting, and presumably, just as regular day care evolved out of the concept and the idea of baby-sitting, ultimately night day care or night care or 24-hour day care would evolve out of that concept of baby-sitting in nighttime hours but there has to be a first step. There has to be a start.

Mr. Speaker, in conclusion, the Minister says that it would cost too much and with limited funds we have to be sure we spend the money where there is a greater need. He cites that greater need as the conventional day care space requirements and the implementation of the necessary new standards. Well, that argument can be very vigorously challenged, Mr. Speaker. First I ask the Minister, isn't the single parent shift worker a taxpayer too? When he talks about this concept costing too much and suggests that he's got to put that money into the conventional day care system on the 8 a.m. to 4 p.m. or 9 a.m. to 5 p.m. day side of things, isn't the single parent shift worker paying for part of that? He or she is paying taxes that are going to that program. He's going to provide some of that new money, even though that new money is limited, so why shouldn't he have some benefit from the application of that money to the day care programming that's in place?

Further to that, Mr. Speaker, I don't think there

would be an enormously expensive take-up of this kind of assistance for the simple reason that there aren't huge numbers of persons in the category that is addressed by the proposed amendment. The amendment makes it very clear that it would apply to persons who could reasonably expect to have their children in a day care facility if they were on daytime hours. In other words, there would have to be a day care facility in that neighbourhood, in that community, to which their child would be admitted before they would be considered qualified for this kind of special assistance.

So, Mr. Speaker, I suggest that the arguments that the Minister raised in Committee for rejecting this amendment are artificial and transparent; that they do not stand up to fair scrutiny; that they are derived simply to defend the systematic, mechanistic, highly structuralized objective that he has and his colleagues have, where this legislation is concerned and that they are intended to protect that kind of organization. That denies the interests and the requirements and the needs of individual people and fails to take those needs and requirements into fair account and I therefore, Sir, on behalf of my colleagues, the Progressive Conservative Party, take pleasure in recommending this amendment once again to the consideration of the Minister and this time to the full House for its consideration.

I believe that what the government is intending to do in the day care field would be greatly assisted by providing this additional acknowledgment and recognition of the special citizen in our community who deserves and requires some consideration in legislation of this kind and I recommend the amendment to the House.

MR. SPEAKER: The Honourable Member for La Verendrye.

COMMITTEE CHANGE

MR. R. BANMAN: Mr. Speaker, I'd like to make a Committee change since the Committee is sitting at 3:15 I wonder, with leave from the House, whether I could do that or not? I'd like to, on the Private Bills Committee substitute the name for the Member for Emerson for the Member for Kirkfield Park.

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

HON. L. EVANS: Mr. Speaker, I intend to be very brief because we're really repeating debate that occurred a few days back in the committee, Statutory Regulations, that dealt with this particular matter, with this particular legislation.

As I attempted to point out at that time, the proposed amendment by the Member for Fort Garry is virtually equivalent to an income transfer of some kind. It's an income transfer to people, to families in particular circumstances; namely, families, either single parent or two parent, where there is one or two working in the evening or off hours so that no regular day care facility or family care facilities are available. What this amendment would essentially do is provide some income to such families and to that extent, Mr. Speaker, I would suggest it's somewhat similar to the

CRISP Program, the Child Related Income Supplement Program; it has elements that I find in that particular program.

The other point I would make, Mr. Speaker - and I made this in the committee - is that probably this is not the area of greatest need in terms of paid or subsidized baby-sitting service. If you want to make a case for subsidized baby-sitting service, it's not necessarily during the evenings. You'd probably find more people during the daytime who are unable to have their child or children placed in a regular day care setting because no such day care facility exists in their community or their part of the City of Winnipeg. So I would suggest if one could take a survey, you'd find there is probably a greater need during the daytime than in the evening or nighttime as referred to in this particular amendment.

I also pointed out, Mr. Speaker, to the members of the committee and I will point out now to the members of the House, that we do have some programs in place to help those people in greatest need; those people who are in the greatest financial need, of course. It may be looked after through the Social Allowances Program and, indeed, there are funds that can be and are provided for assistance for child care under that program and, in addition, we have the so-called homemaker service in another division of the department which is available to provide an initial minimum of six months service in the home to help a parent with their child or children and this can be extended to another six months.

The other point I would make, Mr. Speaker, is that the administrative costs of this proposal are likely to be very high. In other words, it's been suggested we help certain categories of people with subsidized baby-sitting services beyond those who are on Social Allowances, and I would submit that this would require us to have staff in place that would have to check and investigate, examine, the income levels of the applicants. In other words, there would be a means test imposed in order to gear this program to income level. So you would, therefore, run into considerable additional administrative costs.

The last point I would make is that the subsidized baby-sitting thrust for nighttime hours or off hours suggested by the amendment proposed by the Member for Fort Garry is contrary to the intent of the legislation. What we're attempting to do in this legislation is to raise standards in the care of children, community care of children, and we want to ensure that there is quality care; we want to ensure that there's the finest child care facilities in the country in the Province of Manitoba. That is the intent of the legislation and that is the message we got from the vast majority of the delegations that appeared before us, that this is what they wanted and this is the need they wanted us to address.

So, Mr. Speaker, I'm pleased that our legislation does provide the basis for that particular thrust. At this point I see no value in supporting this amendment as proposed by the Member for Fort Garry and would suggest that the members of the House vote against this particular amendment.

QUESTION put on the amendment, MOTION defeated.

MR. L. SHERMAN: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

A STANDING VOTE was taken, the result being as follows:

YEAS

Messrs. Banman, Brown, Downey, Driedger, Enns, Filmon, Gourlay, Graham, Hyde, Johnston, Kovnats, Lyon, Manness, McKenzie, Mercier, Nordman, Mrs. Oleson, Messrs. Orchard, Ransom, Sherman, Steen.

NAYS

Messrs. Adam, Anstett, Ashton, Bucklaschuk, Carroll, Corrin, Desjardins, Mrs. Dodick, Messrs. Doern, Ms Dolin, Messrs. Evans, Eyler, Fox, Harapiak, Harper, Mrs. Hemphill, Messrs. Kostyra, Lecuyer, Mackling, Parasiuk, Penner, Ms Phillips, Messrs. Plohman, Santos, Schroeder, Scott, Mrs. Smith, Messrs. Storie, Uruski, Uskiw.

MR. ACTING CLERK: Yeas 21, Nays 30.

MR. SPEAKER: The amendment is accordingly defeated.

QUESTION put, MOTION carried.

BILL NO. 58 - THE WORKPLACE SAFETY AND HEALTH ACT

MR. SPEAKER: Bill No. 58. Shall the report of the committee on Bill No. 58 be concurred in? Are you ready for the question?

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: The Committee on Private Bills, which had just begun its meeting when the division bells rang will continue its meeting immediately. There are counsel for various of the corporations waiting.

MR. SPEAKER: The Honourable Opposition House Leader.

MR. B. RANSOM: Yes, Mr. Speaker, on a point of order. I believe that when a motion is brought before the House that there shouldn't be any other business considered until that motion is dealt with.

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, on behalf of the Minister of Northern Affairs I would move, seconded by the Honourable Attorney-General that Bill 58 be amended by numbering Section 2 thereof, as printed, as Section 4 and by adding thereto immediately after Section 1 thereof the following sections:

Cl. 24(a) rep. and sub.

2 Clause 24(a) of this Act is repealed and the following clauses are substituted therefor:

(a) without a warrant and without prior notification enter any place or premises in which he has reason to believe workers or self-employed persons are working or were working, other than premises used for personal residential purposes;

(a.1) under the authority of an order made under subsection (2), enter any premises used for personal residential purposes in which he has reason to believe workers or self-employed persons are working or were working;

Subsec. 24(2) added.

3 Section 24 of the Act is further amended by numbering the section, as amended, as subsection (1) and by adding thereto, at the end thereof, the following subsection:

Order for entry into residential premises.

24(2) A safety and health officer may apply to a judge of a county court for an order requiring the person in possession of any residential premises in which the safety and health officer has reason to believe workers or self-employed workers are working or were working to permit the safety and health officer to enter the residential premises for the purposes of inspecting them and, if the judge is satisfied that it is reasonable and necessary for the administration of the Act to grant such an order, he may grant the order.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. J. COWAN: Yes, thank you, Mr. Speaker, I also want to thank the Minister of Natural Resources for taking the opportunity to make certain that this proposed amendment came before the House at Report Stage. The amendment flows from the concerns which were expressed by members opposite during the committee discussions on the inclusion of domestics under The Workplace Safety and Health Act. At that time they suggested that the inclusion of domestics allowed for a potential for abuse of the powers of a safety and health officer by allowing that safety and health officer to enter into a private domicile without warrant or without prior notification. This, of course, takes on added significance in respect to the Charter of Rights and other activities which are taking place in other jurisdictions.

At that time we discussed a number of ways by which we could alleviate their concerns and, having taken those suggestions back to my own caucus, it was suggested there that perhaps the best way to do it would be to put an amendment to the Act that would specifically prohibit a safety and health officer from exercising those very wide powers which they have in regard to entry into a personal residential home. The amendment that you have before you is, in fact, designed to make certain that if a safety and health officer is dealing with a residential home, that safety and health officer must obtain an order from a county

court judge to enter that home if that permission to enter the home is not given voluntarily by the homeowner.

This, I think, would take care of most of the concerns of the members opposite. I've discussed it briefly with them and I'm certain that they will take an opportunity to place on the record their thoughts in regard to the proposed amendment. But I do take seriously the powers which we have as legislators and take seriously the responsibility which we have as legislators to ensure that we do not leave open a potential for abuse where we need not have to do so and this is one instance where, I think, opposition working with government was able to come up with a satisfactory resolution of a problem which they had first brought forward and I want them to have all due credit for having first brought it to our attention.

I hope that what we have before us now does, in fact, satisfy those concerns. I can assure the members opposite we'll also be looking at other bills to make certain that the legislation which we pass and which has been passed by previous administrations and governments does, in fact, protect the rights of those individuals, as in this particular instance individuals who are personal homeowners and who might have suffered unduly as a result of the previous wording, or the lack of this wording in the Act.

I must point out that it does not take away the power of a safety and health officer to enter into a commercial undertaking; those powers have always been there. I also must point out that the safety and health officer has always had the power to enter into a private domicile if there was a contractor working in the domicile, if there was a gardener working outside and that this removes that right as well. So while it's been designed specifically to address the difficulty that would arise out of including the definition of "domestics" in the Act, it also takes care of some other problems which existed previous to that amendment.

Having said those few words, I just wish to point out that I think this is a classic example of how an opposition and government working together can, in fact, bring forward legislation which is of the best possible benefit to the citizens of the province.

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

MR. G. MERCIER: Mr. Speaker, I thank the Minister for his comments and for his change of mind since last Saturday. Mr. Speaker, I think the amendment does satisfy the major concern that we had over the entry into homes. But there are other, Mr. Speaker, investigative and regulatory powers in this Act and in other Acts which must be assessed and reviewed and looked at and I would hope, Mr. Speaker, that those would be reviewed seriously by the government before the next Session of the Legislature, and we might see at the next Session similar amendments to some of the other Acts that do allow the same sort of potential abuses to occur, Mr. Speaker.

I make one particular comment about the amendment in Clause 24(a). I don't really believe that the word "personal" is required before the word "residential." I think that the word "residential" by itself would be satisfactory but I assume that by the addition of the

word "personal" that it will not affect the amendment that greatly.

Mr. Speaker, we welcome the amendment; we welcome the Minister responding to the concerns that we expressed in debate on Second Reading and at the committee meeting last Saturday with respect to this Bill and we only hope, Mr. Speaker, that the government will carry this concern further and review other legislation that was referred to, particularly at the Committee meeting, and bring forward similar amendments at the next Session of the Legislature to halt potential abuses that could occur under this power, Mr. Speaker.

QUESTION put on the amendment, MOTION carried.

QUESTION put; MOTION carried.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, would you please call the Adjourned Debates on Second Reading in the following order, Bills No. 45, 46 as they appear on page 4; to be followed by Bill 44 on page 2; and subsequently on page 3, Bills 48, 49 and 59?

**ADJOURNED DEBATES ON
SECOND READINGS
BILL NO. 45 - THE STATUTE LAW
AMENDMENT (TAXATION) ACT (1982)**

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance, Bill No. 45 standing in the name of the Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, in dealing with Bill 45 there are a number of issues of principle in this bill, even though it is a Statute Law Amendment Act, and one of those, Sir, has to do with the additional taxation that the members opposite placed on the banking institutions. Mr. Speaker, I suggest that this change in the taxation was done, not really out of an understanding of the financial condition of banks, but as a means of taking some sort of punitive action against the banking institutions which the New Democratic Party likes to portray as being among the most evil institutions that we have in our country.

Of course the banks, Mr. Speaker, are not responsible for the present interest rate situation and I think anyone who has followed at all the committee looking into bank profits will realize the situation the banks find themselves in, that under circumstances where interest rates are rising the banks do benefit from higher profits than they would otherwise and when rates are dropping they find their profits reduced.

It's over the long period of time that we should be concerned about the performance of the banks and I think we should be concerned with the stability of our banking institutions. I sometimes gather from listening to the New Democratic Party that they would be happier if the banking institutions were unstable in this country; if they weren't making a profit that they would be somehow happier.

Mr. Speaker, it is to be hoped that in this difficult economic situation that the country finds itself in

today, it is to be hoped that six months from now and a year from now that we can still look at our banking institutions and say that they are sound.

Mr. Speaker, I would like to make some reference to the changes that were made in the Corporation Capital Tax. I would commend the government for continuing the practice of the previous government in exempting a few more businesses from that capital tax. That is a tax which I believe ultimately should be the objective of any government to remove, because it is an unfair tax that ends up being placed on assets that corporations don't even own. It's not the sort of tax that I think anyone would regard as being progressive, but we are happy to see that the government at least has made that small change.

Mr. Speaker, there are sections in this Act which, along with Bill 46, have attracted attention of the people who are concerned with the rights of individuals as indeed we all should be, in this House especially. When we look at the opportunity, the powers that this Act provides for the search, for instance, for sampling of fuel by a Peace Officer or any other person authorized by the Minister for the purpose of taking a fuel sample. Mr. Speaker, it was brought up in the House not that long ago about nonuniformed officers of the Tax Department stopping people on the roads, and subsequently identifying themselves by means of some card identification. The situation that was mentioned in the House was one where a woman was driving by herself on a country road and was stopped by two men in an unmarked car, and only after they show some sort of identification is she in a position to know who it is that has stopped her.

Sir, I believe that irrespective of whether or not that power has been in any Act before, that it should have been reviewed by this government before they implemented again further expansion of that type of power. Especially, I think people are sensitive now, Mr. Speaker, to this sort of thing because of the Charter of Rights which the country now has, and under the Legal Rights Section of the Canadian Constitution it says "Everyone has the right to be secure against unreasonable search or seizure."

Well, Mr. Speaker, I know that over time the courts are going to determine what is unreasonable search or seizure and I know that those lawyers in the House will have some fairly definitive concept in mind about what unreasonable search or seizure is, but for those of us who aren't lawyers, unreasonable search or seizure is something that we have to interpret in the terms that laymen would think about these things. I believe, Sir, that this aspect of the bill that is before us would certainly be considered to be unreasonable search by a vast majority of the public and because these bills don't go to Committee outside of the House, Sir, and the public doesn't have the right to make a submission on them. The Manitoba Association of Rights and Liberties, for instance, doesn't have the opportunity to come before this House and to comment on these bills. I think it behooves us in the House, and the government especially, to pay particular attention to these sections and perhaps they should be following the advice of the advice of the Manitoba Association of Right and Liberties - pardon me, I may be misquoting the source of that - I think it was Mr. Matas had suggested that provisions in Bill

46, at least, simply be deleted, provisions that were somewhat similar. So, Mr. Speaker, I think the government should give consideration to making changes in these sections of the Act; if not this year, in subsequent years.

I could commend the government again, Mr. Speaker, for their implementation of assistance grants to businesses and fuel dealers that have been operating close to the Saskatchewan border because of the removal of the gasoline tax in Saskatchewan. Of course, it has made it very difficult for dealers to remain competitive in the areas close to Saskatchewan. It's something that some of my colleagues had brought to the attention of the government on a number of occasions and I commend the government for having implemented that feature in their Budget.

Mr. Speaker, a further problem I believe, which is going to arise with the personal income tax surtax which is being put in place through this Act, is that at the time the government announced their surtax, of course, there had been some room provided by changes that the Federal Government made in the November 12th Budget, in that they vacated some taxation room and the province then moved in to take up some of that room and announced at the time that the net effect of it in many cases would not be as great as would appear to be the case, and perhaps even some people would still be paying less tax even with some provincial tax, because the Federal Government had backed out of some areas of taxation.

Now, Mr. Speaker, we have a situation where the Federal Government is partially deindexing income tax so that people are now going to be hit to a greater extent than the government had anticipated before, but I think that's an area that the Provincial Government is going to have to look at rather carefully now.

With respect to the Capital Gains aspect of it, Mr. Speaker, some help of course is welcome. I'm sure that the farm community will welcome whatever help the government provides, but there are questions as to why should there be restrictions placed upon the purchaser with whom the seller can do business and still qualify for the tax exemption? Is the purpose of this Act to help the family farm operator recognize some of the fruits of his labour over the years or not? Because if that's the purpose of it, Mr. Speaker, then there should be no restriction placed upon the purchaser to whom the farmer could sell his land.

Another feature that I believe the government should address and should change is the date for qualification for the Capital Gains Tax refund. The date which they have set is December 31, 1981. Mr. Speaker, when we assumed government in 1977, we had made a commitment to do away with succession duties and gift taxes and we did that in an immediate Session, shortly after being elected, and we made the effective date the date of the election of our government, because that was a commitment which we had made during the election and the most appropriate date was the date of the election then to make that change effective.

I think the government should have done the same thing in this aspect, that they campaigned upon this, it was one of those promises that they made during the election, it's one of the promises that they kept and therefore, Mr. Speaker, I think that date should have

been changed to November 17, 1981, rather than December 31, 1981.

Mr. Speaker, I'd like to also refer to some of the other aspects I should perhaps have referred to earlier, that in respect to the demand for information and obtaining the appropriate records, I believe that this Act is extremely strongly worded and grants rather extreme powers to the inspectors within the Department of Finance to obtain records. Perhaps the Minister of Finance should have some examination done on the taxation bills under the taxation laws that are in place to see if in fact the provisions that are in place are appropriate in light of present concern about rights and liberties.

I recall a situation several years ago where an individual, who now lives in my constituency, had looked out the back window and saw two people taking gasoline out of his lawnmower in his garage and on closer inspection he discovered that indeed these two people taking gasoline out of his lawnmower were inspectors of the Department of Finance, checking to see if there was purple gasoline in his lawnmower, without saying anything to the owner of the property at all. Now that sort of high-handed action by government is simply unwarranted, although the power is in the Act and they were within their rights to do that. So I think that the Minister should have a review conducted of the powers in these laws to see if they're really necessary.

I could commend the Minister briefly, Mr. Speaker, on one small change that he made having to do with the refund of tax for vehicles where more than one vehicle is traded in. It's the sort of commonsense thing that is quite acceptable to the public and I don't mind congratulating the Minister on making some of those small adjustments, Mr. Speaker. Those are all the comments that I have on this bill, Mr. Speaker.

MR. DEPUTY SPEAKER, J. Storie: The Honourable Member for Rhineland.

MR. A. BROWN: Thank you. I would just like to make a few comments on this bill and some of the concerns that I have, some of the problems that this bill is going to create. First of all, I'd like to speak on the gasoline situation on the Saskatchewan border, which we have eliminated to a certain extent by a gradual increase in price the farther away you get from the border, but in my area we have the same effect that the increase in diesel fuel tax is going to have in regard to some service station owners over there who have to compete with the price in the United States.

The price in the United States at the present time is quite a bit lower than what it is in Canada. The sales of this particular gasoline station already are down by 40 percent and with this extra diesel fuel tax that will be put on diesel fuel, this means that we'll just drive this particular person into bankruptcy and there's about two or three dealers I understand that are in that particular situation. They sell fuel mainly to big trucks transporting produce in the north/south direction and where they used to traditionally fill up at these particular stations, they no longer are filling up, and if they do stop, they will buy \$10 worth of diesel fuel or oil or whatever is going to take them across the border to the first service station. So, I hope that the Minister is

going to look into this and that he hopefully is going to find a solution to this particular problem, because if he doesn't then there is going to be quite a problem created.

There's another problem as far as the diesel fuel tax is concerned and it creates quite a problem for those contractors who bid on work last year under last year's diesel fuel tax. They find themselves in a great deal of difficulty at the present time because the price of the fuel that they're using is going to cost so much more and some of them actually say that they're going to be losing quite a bit of money on the jobs on which they have bid. So, I would like to see if the Minister could rectify some of those problems and maybe give those contractors, who have these bids that were accepted last year, some concession on the tax.

I thank the Minister for coming in with the Capital Gains Tax Refund; it's something that we've all been waiting for. However, I find that the way that it is worded it is rather difficult to understand. I discussed this with about three of my colleagues and each one of them had a different interpretation of how this thing was going to work, so I would appreciate it if the Minister could give us an example of how the elimination of capital gains tax would work. Like, for example, could he give us an example of a farm sale, let's say, where the farm is selling, for easy figuring, \$1,000 an acre and how the particular capital gains refund would apply? I think that if we had some clarification we would really know better just exactly how this was going to work.

Mr. Speaker, those are some of the concerns that I have on this Bill.

MR. DEPUTY SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you, Mr. Speaker, I'll attempt to make my comments brief.

First of all, I would just like to make a few comments regarding a few aspects of this Bill. I suppose the first part I'd like to draw attention to is Part II, the amendments to the gasoline tax and comparing this to the existing Act, one sees the whole new Section 11(2.2) all the way through and we begin to see again a whole new area of heavyhandedness of government and, of course, it's obvious when you start to border against a jurisdiction that possibly does not levy a tax on fuel to the same degree that we do, that you have to put in some very strong measures by which to prevent the importing of gasoline. I don't support them, but I guess I can see why the Minister says they have to come forward in an Act. When you see headings like the seizure of goods and the release of goods on payment of penalty and forfeitures of goods on failure to pay penalty and on and on, and when, of course, you see a section without warrant you become quite fearful. I suppose one becomes somewhat hardened to the introduction of these types of items because you don't only find it in this bill, you find it in many new bills. The Minister of Finance says, "Don't worry, you'll find it in all existing bills." I took his challenge and I looked and certainly he was correct.

I suppose one of the most disturbing things, when you consider the fact that you're imposing this type of tax on an item that can flow very easily from one

jurisdiction to another, you realize the problems that are fast coming - and maybe they're here already - within this country. I've been part of a signatory team that has attempted to prevent this sort of thing coming into supply-managed goods in agriculture where, in fact, the only out, the only solution to some of the problems appear to be setting up provinces and, in effect, not only measuring but preventing the flow of product from one area to the other. I would say that this borders and this is a very close relative to that solution to that particular concern. So, I say this is what happens, of course, when one jurisdiction becomes uncompetitive with another in any tax-related area.

I'd like to move to page 13, Clause 28, and again acknowledge and support and compliment the government for the new Section dealing with the provision for those dealers of gasoline who are in close proximity to the Saskatchewan border.

Moving to Part IV to The Amendments to the Income Tax Act, Clause 35, on the Personal Income Tax Surtax, we know the reason, of course, for which it was introduced, but I think we should not forget what my colleague, the Member for Turtle Mountain, said this morning that some of the rationale that was used to introduce this particular surtax on the Budget evening, in fact, has disappeared because of deindexing and I would be very interested to know what now the surtax means to the individual who may be earning \$25,000 or \$30,000.00. How much will that person - of course, the limit here, I think, is now \$25,000 - but what does it mean to the individual now earning \$35,000 with federal deindexing in effect, because all of a sudden that surtax isn't a minor item. I would suggest it'd be a very major item and to an individual earning between \$30,000 and \$40,000, I really wonder how far from \$1,500 that surtax may amount?

The reduction in the small business tax deduction from 11 percent to 10 percent, provincially of course, is welcome. It's, I suppose, another acknowledgment of the strong role that small business in all forms, and certainly in corporate forms play in our province. That support I think should be acknowledged and accepted.

Under the Manitoba Capital Gains Tax Refund, I believe it's Clause 44, there's one particular item that struck me and I think it was the fourth line and again it just ties into what the Member for Turtle Mountain said and he used the particular aspect on the third line, December 31, 1981. I'd like to read just beyond that because it says "to a qualified purchaser" and I don't know if the attempt of that was presupposing some type of land legislation that is coming or was coming or may be coming again, but maybe the Minister may want to attempt to redefine that particular account.

Clause 55 and, of course, this is new but it's not new in concept. I suppose the Federal Government came onto this whole area of being able to requisition for monies owing directly to the bank. Now I see, in fact, that our Department of Finance has decided to incorporate it into this particular Act, and no doubt - which Act is this, by the way? This is under the Manitoba Capital Gains Tax? We'll see it in other tax legislation too. I suppose it's another very bitter pill to swallow. You feel in many ways that your bank account is sacred almost and it's something that's yours and

your operating line should be held in almost the same way. —(Interjection)— The Member for Pembina reminds me that possibly 'overdraft' is a better word.

Mr. Speaker, what I sense here is that our Finance Department and every finance department in existence seems to spend most of their time out-scrutinizing all the other finance departments and every time they see somebody else find a new way to go out, it's heartily endorsed and it's brought forward and it's brought back very quickly into that jurisdiction. I think the main thing that concerns me, particularly over the next two years, is that with all this legislation that is at the hands of government, I believe that much of it is going to be tested. I'm going to be watching very carefully, maybe even in my own case personally, but certainly in everybody's case as to how government is going to use this because I say that there are going to be reasons, because there are going to be many people in default that'll cause them to want to make that decision as to whether to use it or not.

Clause 67, and I think the Minister explained well the reason for upgrading the diesel fuel as a percentage of gas, but under Clause 68 specifically, whatever subsection 10 was under some Act, it was moved up to 100 percent and I'm wondering what the particular item was, if he could maybe tell me, and maybe it was in his speaking notes, what specific item that was, maybe he could give me some comment as to what he was thinking.

Again, within this particular amendment, this now is the amendment to The Motive Fuel Tax Act, those seem to correspond with the changes within The Gasoline Tax Act and again the greatest part of that whole additional section now is in the area of enforcement. I see under Clause No. 76 that the penalty for the use of purple gas in cars is increased and possibly the Minister in giving us his final remarks, may indicate why; maybe he may want to tell us specifically what the incidence of purple gas using is as far as those that have been caught. Does he see some opportunity here to again do well? Is it a source of fine revenue that in fact he has an opportunity of exploiting?

Probably the final comments I'd like to make are, first of all, the one in support of Clause 85 by increasing the minimum for the food and drink exemption. Under part 10, the amendments to The Tobacco Tax Act, I found it intriguing that within two very close sections under Clause 93 that there's a reference made to a metric figure and there's one to an imperial figure, maybe there's good reason for that. I notice under 93(c) we're talking about - well it makes some change, but in the old Act (c) refers to 7 cents for every half-ounce and under (d) it's 17 cents for every 25 grams. You may want to look at that and maybe there's some good reason for it.

In concluding, under The Gasoline Tax Act the only thing I think I can add is again a concern that's been expressed, first of all by the Member for Lakeside and also some ten minutes ago by the Member for Turtle Mountain. I, too, had a constituent who was stopped by an unmarked car on the highway and two very unkempt individuals rushed out and flashed some card and this individual, of course, turned the windows up very quickly and didn't know what was going on. Finally, she had enough trust in the individuals

that she turned down the window somewhat and they said they wanted to look at her gas. They did and, of course, thank goodness for my wife, there was no purple gas in the gas tank, but it was a situation that happened very close, of course, to home and I say to the Minister that hopefully some review again in this whole area can be undertaken. It's a very difficult thing to accept, I'm sure, for all of our citizens, but certainly rural people that drive the same route many, many times, when all of a sudden they're stopped for what appears to be no good reason.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: I want to make two brief comments and they will be brief, the other comments I'll keep for other bills. The point that is raised about the provincial share of the capital gain refund, Mr. Speaker, I would like to make the point again with the Minister of Finance, because I believe that there were certain people in the Province of Manitoba voted for the present government on the strength that they would, in fact, benefit from a removal of the provincial share of that capital gains. Mr. Speaker, I would only think it would be fair to revert back some time prior to the first time that announcement was made by the government last fall, because it has been traditional that a lot of people in the fall of the year sell their property. I think that a lot of innocent people, people who felt they were getting some relief under this particular announcement of program, who sold last fall, find out that they do now not qualify and that, I think, Mr. Speaker, is unfair. I would hope the Minister of Finance would take a look at the amount of money that would be involved because I think it would be very, very small amounts of money. It's not a matter of recommending exorbitant expenditures but a small amount of money to help a few committed agriculture people who are selling their property prior to the end of December 31st. It's not a large amount of money but a few people - I know one or two in my own constituency - feel a little bit put off, I could say, that they aren't now able to qualify because of the fact they sold last fall. That is one issue that I hope the Minister would at least take a look at the dollars and be prepared to move on it if at all possible.

The second point, and I as well want to say that I think the fuel dealers and the people who have filling stations or provide gasoline outlets along the Saskatchewan-Manitoba boundary do, in fact, appreciate the move made by the Minister. I think that's certainly been stated prior to this. One of the concerns that have been brought to my attention, and I have to register it with the Minister, and that is the mechanism or the system used to either allow people exemption of tax or the collection of tax. The bulk dealers, in particular, Mr. Speaker, have some severe difficulties with some of the mechanisms that are put in place to administer the program and I want the Minister to take into account that kind of mechanism he's using to either exempt people from paying tax in the boundary towns or take a review of it.

I give a specific example. One bulk dealer, for example, indicated to me that he was asked to sign an

affidavit when a particular person filled up with a bulk tank at this particular outlet and he had to be responsible for how that fuel was used. He, as a dealer, after the truck leaves the particular premises, I don't believe should be held responsible and I think there are other mechanisms to police the taxation mechanism that's been put in place and have the end consumer of that commodity be responsible for how it's used and penalize him or her.

So again, I want the Minister to know that it's appreciated in western Manitoba but the question is, can he in fact streamline the policing of it or the exemption of that particular program, through the bulk dealers, so that it takes some of the onus off them and they aren't subject to severe penalties when, in fact, the general public are benefiting from that particular program.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: If there are no further comments, the Honourable Minister will be closing debate on Bill 45.

The Honourable Minister.

HON. V. SCHROEDER: Thank you, Mr. Speaker. I do apologize. I missed the first several speeches but I caught the rest of them.

The Member for Rhineland asked for an example of what happens with respect to the Capital Gains Tax rebate and you can't really do it on the basis of the price per acre. What you can do it on is the basis of sale value as opposed to purchase price or as opposed to V-Day value, December 31st, 1971. So if you have a farm that you paid \$100,000 for after December 31st, 1971 or was worth that amount on December 31st, 1971, and you sell it for, say, \$500,000 today, you're deemed to have a \$400,000 Capital Gain minus whatever the value of your farmyard is, or \$1,000 a year, whichever you decide to take. So assuming your farmyard is worth \$50,000, you're down to a Capital Gain of \$350,000.00. What this program will do is entitle you to a refund of that portion of your capital gain, \$200,000 of that \$350,000, would not be taxable in Manitoba. You would pay the tax initially when you file your return to the Federal Government and then apply for a rebate of that portion. Of course, on a \$200,000 Capital Gain, by the time you convert that into income, it's \$100,000 worth of taxable income, and that would be the amount you would be entitled to deduct from your income for that year.

In terms of the surtax, several people have referred to the surtax and the fact that there will be some number changes because of deindexation. First of all, that change will not take place for taxpayers for the 1982 taxation year, as I understand the Budget, that is something that will kick in for next year and so the numbers are correct for the year 1982. When we get into our own 1982-83 year that we're dealing with here, in the last month or two of that year, there will be changes because we will be at a 6 percent indexation rather than possibly 11 percent. I'd indicated to the Member for Turtle Mountain this morning that we will be sending him a revised copy of the table that had been provided in the Budget documents, as well we will attempt to ascertain the percentage of taxable income that people in the highest brackets are required to pay out in total taxation.

As I recall the numbers from before the changes, last year maximum taxation for Manitobans was approximately 65 percent if you were in the highest bracket. This year, with the changes and the surtax, we're at about 55 percent of taxable income as a maximum bracket; so there's approximately a 10 point reduction in total taxation, a provincial reduction for those who are above the qualifying income. Now, there was a reference made to Section 68 by the Member for Morris. That was an increase from 80 percent to 100 percent on railway fuel and what that does is maintain the tax relationship that exists between diesel fuel used on highway and that used off highway, that is, specifically railway locomotives, so that's the explanation for that one.

We've also had a number of members refer to the fact that the Department of Finance does have some revenueurs out there who are occasionally examining motor vehicles for purple fuel and one of the regrettable facts of life is that occasionally they catch somebody using purple fuel — (Interjection) — yes, farmers are colour blind. They can see green very well though and we can all tell stories about these instances. In an earlier incarnation, when I was practising law out in the country, I recall an instance where I had a farmer come in to see me and he explained how he had been at a watering hole or a place where — (Interjection) — of course, he didn't know a thing about it. I have never yet run into an individual who had purple gas in his or her vehicle who actually filled the vehicle with that purple gas. It was their friend, their neighbour, their son, their daughter, their wife, whoever and I suppose, because we have these other people who do these things we wind up in this position where the law is written the way it is and, of course, that has gone back many many years. In terms of the enforcement, the enforcement has been there through changes in government as well.

There was a specific complaint by the Member for Morris that the people were unkempt and that does concern me. In fact, we are currently considering issuing some form of clothing to the officers in order that they can be identified as individuals who are compliance officers under The Gasoline Tax Act because I recognize that there is a concern out there. If people are stopped in the middle of the evening by people who are driving an unmarked vehicle, they have no clothing identification, there's an initial strong reluctance to comply with any request made by them. Certainly, that same reluctance isn't present when it is RCMP officers who do it, so that's something the Member for Lakeside had previously raised the concern about and we have been looking at that and hope to be able to come up with a solution very quickly.

The former Minister of Agriculture the Member for Arthur, indicated that there were some difficulties with respect to the operation of the reductions in sales tax as in the border communities. The Member for Rhineland also referred to some problems along border communities with a different border - the American border - and those are items that are under consideration, they are under review. As the members will understand, when we initially imposed the changes, it was done after the Saskatchewan changes had been in effect for only several days and it was a very quick response. We are now going to wait a few

months to analyze what gasoline sales have been since then; what diesel fuel sales have been since then and, if necessary and appropriate, if we can make changes that will be beneficial to Manitoba individuals who are in business out there which will not be a large cost to our Treasury, then we will certainly look at those changes later on.

I should say, although I expect that probably the Member for Turtle Mountain will get into this in more detail under the Health and Post Secondary Education Bill that I do have, I will make some comments at that time with respect to invasion of privacy, etc., and the taxation provisions.

MOTION presented and carried.

BILL NO. 46 - THE HEALTH AND POST SECONDARY EDUCATION TAX LEVY ACT

MR. SPEAKER: On the proposed resolution of the Honourable Minister of Finance, Bill No. 46, standing in the name of the Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, I'd like to make a few comments on this Bill 46, The Health and Post Secondary Education Tax Levy Act, otherwise known as The Payroll Tax Act or The Health Care Premiums Act, depending upon how far the Minister wants to go in drawing the analogy between this and the Ontario situation.

Mr. Speaker, I have just a few points to make on this bill, one of the things being that it has been brought up in the House on a number of occasions that the government is attempting to implement this tax in a rather casual fashion, to say the least, that the government and the Minister should have been aware that there was some concern about the constitutionality of the Act. But when the Minister was asked in question period on one occasion whether this Act was constitutional or not, he treated it in a rather offhand, flippant fashion and said that he had a legal opinion from the Attorney-General - and it was quite evident the Attorney-General had simply given to him between the time the Minister was asked the question and the time that he answered the question - and, Mr. Speaker, I think it was a legitimate question for the Opposition to be asking. Now, the government has sought a legal opinion and I haven't had an opportunity to look carefully at that myself, but I understand that perhaps it does recommend that the government is going to have to tighten up their wording of the Act.

The legal opinion that we have from the Legislative Counsel is somewhat contrary to the one which the government has obtained. It would seem to me that it would be wise for the government to immediately seek the agreement of the Federal Government to pay the tax, as on the basis that they have been paying a similar tax in Quebec, and that there are other taxes which they pay by agreement; other taxes not being the health care premiums, for instance, which they pay on behalf of employers in, for example, the Province of Ontario, because of negotiations that take place between the employers and the employees. Mr. Speaker, I don't believe that the Minister should pursue that analogy because, as I pointed out, if it's

pursued very far it's very easy to see that this levy could well be interpreted as a health care premium, which the government, of course, says they would never want to institute.

Mr. Speaker, the bill has a number of provisions in it which outside people have once again taken exception to - and I say again because the bill doesn't go to committee where the public has an opportunity to make submissions on the bill and to raise their objections - I would like to make reference to some of those objections that have been dealt with in the press.

For example, in the Winnipeg Free Press of June 25, there are comments made by Mr. London, the Dean of the Law School and by Mr. Matas, the lawyer well known for his advocacy of civil rights, civil liberties. Mr. Speaker, they took particular exception to the reverse onus clauses that appear in this bill and there's a quotation in this article from Mr. London in which he says and I quote: "I think in any offence, to reverse the onus onto the (accused) is not only undesirable, but illegal," London said, and I quote again: "I think it's an improper provision."

Mr. Matas said that the section placing the burden of proof on the employer should be struck out of the proposed law and he said and I quote, "This looks to me like a clear violation of the Charter of Rights." A further quotation, "It should just simply be taken out." There are other quotations that I perhaps should put on the record, Mr. Speaker, this one also from Mr. Matas in which he said and I quote, "That is wide open." This by the way, is in reference to Section 18.2. He said, "That is wide open. It's clear that this law was not drafted with a fine concern for civil liberties." Now I'm sure that is not the kind of comment that the members opposite like to hear being made about bills which they have drafted and brought before this Legislature.

So, Mr. Speaker, I believe the government should pay particular attention to the comments that have been made by such people as Mr. London and Mr. Matas, especially since they're unable to appear before Committee and make representation directly to the Committee.

The headline, by the way, on that article said, "Experts Say Proposed Act a Violation of Rights," and I referred earlier to other provisions in the previous bill which might be considered to be the same sort of violation. Mr. Speaker, I put those on the record. It's something that I'm sure could be dealt with at great length. It's the sort of thing that the former Member for Wellington, the present Member for Ellice, would have dealt with at least 40 minutes on every occasion he could, and I'm quite surprised that the Member for Ellice is not standing up now and speaking to these provisions of the bill which Mr. London and Mr. Matas say are clear violations of the Charter of Rights and a reversal in its clauses are something that the government simply shouldn't have. So I don't know whether the members opposite have changed their position or whether the front bench has been able to impose their will upon the Member for Ellice but in any case, Mr. Speaker, it's the sort of thing that I would have expected the Member for Ellice to stand up and fight against.

There are a few things within this Act, Mr. Speaker, which should be referred to. Perhaps the Minister can

just confirm as he makes his comments, that this is indeed going to be one more sort of reporting procedure that every small business, every employer, is going to have to make in terms of the paper that has to be dealt with every month. I know this may seem a small thing to the Minister; it may be a small thing, indeed, to companies and employers who have people hired to do those specific pieces of work, but believe me it's not a small thing for the farmer or the small businessman who's struggling, trying to do all these things himself or herself, and then to have some of the provisions that are in this bill where the Minister simply may assess fines, penalties, against the person who hasn't filed their return.

If it's read very carefully, Mr. Speaker, it's really quite a frightening array of powers which are given to the inspectors to enforce this bill and I think a number of people have made the point, that this is not the sort of tax which requires even the same kind of powers that might be required with respect to the collection of income tax, for instance. This is really quite a simple thing to determine what sort of a payroll an employer has and that these sorts of powers are perhaps simply not required.

Something else that caught my eye in this bill, Mr. Speaker, was the fact that it seems the government here is going to have first call over the wage earners in cases where a company is going bankrupt or has gone bankrupt, that the government is going to step in and take their pound of flesh before the wage earner gets theirs. Now I'm surprised in a case like this that the Minister of Labour and the Minister of Northern Affairs, would not be objecting to this sort of provision, or the Member for Ellice, because I recall discussion, debate, in the House over the past two or three years where those members fought tooth and nail over issues where mortgage holders were placed above the priority of the wage earner. Now what are those members doing bringing in this kind of provision in this kind of bill? I'd like to know the Minister's rationale for doing that.

A little thing perhaps in here as well, Mr. Speaker. Why doesn't the government pay the same rate of interest on overpayments of money under this tax as they are going to charge people for late payment? Why is it that the government on one hand can charge a certain rate for people who haven't paid and when they turn around and make a refund, they're only obliged to pay three-quarters as much as the individual would have to pay? Where is the equality in that from this government that likes to think of themselves as being so much in favour of justice and equality? Surely that's a little thing that could have been done to make this invidious tax less difficult for people to swallow. Maybe the Minister would consider bringing in an amendment and changing that provision of the Act.

Mr. Speaker, I would ask, if it isn't too late for the Minister and members opposite to go through and look at the various provisions in this Act that grant such strong powers to the people who are going to be enforcing it and such strong powers to the Minister who has the power simply to assess penalties against people who fail to file a return and penalties that are provided, be assessed by the Minister for the failure to supply information.

There's a Section in here, Mr. Speaker, which as a layman I read to be something that I find rather repugnant, that the right to examine records, for instance, that the Minister or director, or if duly authorized for the purpose, any person appointed by the Minister or peace officer, may from time to time at all reasonable times and without warrant enter upon the business premises of any employer or any premises where the business records of an employer are kept, other than a private dwelling house that is not used for business purposes. Well, Mr. Speaker, what if the private dwelling house is used for business purposes, as many homes are? Is this another case where the inspectors can enter the home without a warrant because it's used for business? Now, I hope I'm wrong on that, Mr. Speaker, but perhaps the Minister would clear that up. The section itself says only at reasonable times; it doesn't say that the reasons have to be reasonable, it only has to be at a reasonable time. The power is simply there that if duly authorized they may enter and search and seize. So, Mr. Speaker, I'd like the Minister to have a careful look at that section as well.

There are other provisions in this Act, again these are the reverse onus clauses, I guess, Mr. Speaker, and deal with things like a person having a notice served upon them that has been mailed. The onus is on the employer to prove otherwise, to prove that he hasn't received it. Well now, given the postal system that we have in this country how do I, as an employer, set out to prove that I haven't received something that the Minister says was put in the mail? That's the sort of provision, Mr. Speaker, which simply shouldn't be in an Act like this. I don't care if it's in other Acts before, it's time to start examining these provisions and see whether they're really necessary. I expect that's one of the clauses that the gentlemen to whom I referred earlier were also referring to in the reverse onus clauses.

Again, there is a further clause, Onus of Proof, where the onus is on the employer to prove that no tax is payable. Under the appeal process, Mr. Speaker, it's necessary, again, that when an employer appeals the decision of the Minister, and by the way the decision of the Minister as I read it in one of these cases, is where the Minister can simply assess a penalty against the employer for various reasons; and the employer can then appeal to the Minister, the same person who has assessed the penalty to begin with, they ultimately can appeal to the Court of Queen's Bench, but the onus shall be on the person to disprove the assessment as affirmed or amended by the decision of the Minister. As a layman, I read that to mean that the employer is going to be guilty unless he's able to prove himself innocent. I don't think that's the kind of provision that this Legislature should be passing.

Those are some of the concerns that we have with the bill, Mr. Speaker, we also have a lot of concerns with the principle of this tax which the Minister terms a health and post secondary education levy. It is not an equitable tax as the Minister has said in his Budget, Mr. Speaker; it's not equitable because it hits upon all areas of the economy, upon the consumers of food, for example. People who are on low incomes and fixed incomes that, of course, have to have the basic fundamentals of life, are hit with this tax because of the increases that it's going to bring about in the cost of

food. It is inequitable as it treats businesses that are in different financial condition; the businesses that are making a profit are not hit as hard by this tax as those that are already in difficulty because those that are making a profit, of course, are able to declare it as an expense, write it off against their tax payable, partly to the Federal Government, partly to the province. Those that are already losing money are in difficulty because they can't get that sort of writeoff.

It's a tax that the Minister has placed on employment at a time when thousands and thousands of people are unemployed in the province. I'm sure that someone looking at our situation from the outside could view it objectively and see what the circumstances were in terms of unemployment and the need for economic activity in the province and they would see the government imposing a tax on employment, they would think that surely that was a most perverse action to be taken. We also know, Mr. Speaker, that this tax is going to be placed upon, I believe by the Minister's own figures, payrolls that are already tax-supported in the range of 17 percent to 19 percent of the revenue that's going to be derived from this tax is already taxation money. So the very large portion of this tax is going to be taken from one pocket and simply put into another.

So, Mr. Speaker, I think that the Minister in settling upon this tax had perhaps done it on rather short notice without examining all the implications of it. In fact, I think the First Minister told the House that this was a tax that it was only in the last couple of weeks before the Budget came in that they settled upon this tax. I can quite appreciate the discussion that took place that someone had suggested that, ah, we have a tax here that we're going to put it to the feds; we're going to recover some of this money from the feds; we've already built up this expectation that there's going to be a sales tax; we're going to avoid that so that we'll be able to say, ah, we didn't have to bring in a sales tax that everybody was expecting. We're going to bring in this tax that is going to impinge upon the Federal Government; we're going to get back some of our money. But I don't think they fully realized some of the other implications of this bill.

Mr. Speaker, we've dealt with those before and I'm not going to dwell any longer now but, of course, Mr. Speaker, we will be unable to support this bill.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. A. BROWN: Mr. Speaker, I rise to support the statements made by the Member for Turtle Mountain. My concerns are very similar to the concerns that he expressed and I don't think it's necessary to repeat all these concerns. I very definitely do not believe that it is necessary to impose such severe penalties with the right to come and search your place of business or home at anytime. This type of power should be used on very rare occasions only and really it should never be used because I do believe that it infringes upon the rights of a person and I hope that when the new constitution is in power this type of tactic will not be allowed to happen.

Large powers have been given to the Minister in this bill, a tremendous power respecting tax payable.

When the Minister can establish the amount of penalty that a person will have to pay and he can charge them up to 50 percent of the amount of the tax sought, that's a tremendous power that a Minister has and this certainly can create quite a bit of difficulty for him.

Another area of concern that I had in this particular bill is where the bill refers to a situation where a person commits an offence under this Act and the offence continues more than one day, the person offending is for each day during which the offence continues, guilty of a further offence and may be convicted therefor. Now when you realize that the penalty could be a \$200 per day fine, this could bankrupt a business in no time at all, especially a small business who might have some particular difficulty at that particular time to come up with that type of money.

I would like to see this tax eliminated from charitable organizations because I do not believe that it is necessary for us to tax the charitable organizations. This has never been done before and I don't think that we should start at this time. So I hope the Minister is going to give that some serious consideration.

I believe the government feels quite secure in the fact they say that businesses can deduct this particular tax from their income tax. That is not going to be true in many many occasions this year or possibly for the next four or five years to come, where farmers, where businesses are not making any money and for them, this is a direct expense. It's just another way of getting them further into debt. It's a very harsh tax for businesses that are in trouble in what they have to pay.

So, Mr. Speaker, with these few comments, I would just like to say that I cannot support this bill.

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Just a few remarks at this stage of the debate, Mr. Speaker. Listening to the Member for Turtle Mountain criticize the enforcement provisions of this bill, as if he were an innocent abroad, the virgin despoiled, is farcical. As Minister of Revenue or Finance in the former government, not only did that government enact provisions of this kind but enforced provisions of this kind which existed for a considerable period of time, now to rise and proclaim innocence and virtue, is hypocritical. —(Interjection)— Well, it certainly is.

I heard the Member for Pembina —(Interjection)— Yes, okay, could be construed as hypocritical, if we didn't know better. It's the last day and I should be nice. I heard the Member for Pembina a short time ago ask the question what's reasonable? Making explicit what has been implicit in his speeches up till now that he doesn't know what is reasonable. I'd like to speak very briefly on a question which is of considerable importance and we recognize it as such. With the enforcement of tax Statutes, there is a problem of drawing the line between enforcement in a very difficult area and trenching on the liberties of the subject.

Historically, the notion that the home is a person's castle relates to the home and not to business and that runs all through both the statutes and the decided law. If you go to the classic case on search warrants, *Entick vs. Carrington*, you will find statements that will relate to the domicile or home and the section of this Act which in part was referred to by the former Minis-

ter of Finance, 18.1, makes an exception of the home. It relates to the inspection of records on business premises. I mean, one must recognize that with respect to taxation for many people - I wouldn't say for most, I think most people are law-abiding - the name of the game, and they almost treat it as a game, is tax avoidance which in some instances, becomes tax evasion and indeed, not above employing skilled counsel and skilled accountants to assist in the game of tax avoidance; but every time tax avoidance becomes tax evasion, it is in fact theft from the pockets of other taxpayers who are fulfilling their duty —(Interjection)— Well, it is. That's what tax evasion is. Tax evasion is a crime under every tax Statute and it's a crime because the effect of tax evasion is to place the tax burden inequitably on those who obey the law.

Now with respect to provisions such as those dealt with in 18.1 dealing with Inspection on Premises, and 18.3 which deals with Seizure and in order to seize under 18.3 - note, Mr. Speaker, that there must be an application to a court and the obtaining of a court order - it has been suggested that provisions of this kind may conflict with the Charter of Rights.

I think that is a serious point; that certainly the task force under Professor Gibson, which I appointed sometime ago, is concerned about and will report to me on, and where remedial action is necessary it will be taken. But I just want to say this about the provision in the Charter against unreasonable search and seizure - and I think that is a good provision - whether or not a search and seizure or either one of them is unreasonable is not to be measured, I would argue, by the words of the Statute but by the way in which the Statute is carried out. So that, for example the Member for Pembina raised - and let me deal with this question now seriously, the notion of what is reasonable because it talks about reasonable times - there is a vast body of jurisprudence on that. Reasonable times will relate to the nature of the business activity. We're not now talking about a search of a home or an inspection of records in a home unless it happens to be a business place, but it will relate to the time when that business is ordinarily open for business.

There are decided cases on that. The courts do not come to provisions of this kind uninformed or without a body of decided cases setting precedent; those are known. But if, in fact, a citizen taxpayer under this Statute or any other tax Statute feels that the rights as guaranteed by the Charter have been violated by the particular search, then that citizen has a number of remedies that are made available by the Charter; remedies incidentally, which were not made available under the statutory Bill of Rights; the so-called Diefenbaker Bill of Rights.

So that while there is a concern, I would like to say to members opposite, that is somewhat premature in two ways. There is not yet a history of precedent, jurisprudence with respect to the Charter, to begin to flesh it out and to see what the provision against unreasonable search and seizure means to its full extent? Secondly, whether or not, as I've said, a particular search, or a particular search and seizure is unreasonable, must be measured by the circumstances surrounding the particular Act. You can't simply look at the words of the Statute and say, here, this Statute is contrary to the Charter. I don't think

that follows.

With respect to the question of onus - and this will be my concluding remark - I had occasion to remark in committee last night, the presumption of innocence is something which carries through with respect to crimes, properly speaking, certainly most of those which are defined in the Criminal Code or in The Narcotic Control Act, but even under The Narcotic Control Act some of the provisions reversed the onus of proof and there already is a decision from a judge, of first instance in Ontario, that a particular provision of The Narcotic Control Act, in the circumstances of a given case, offended the Charter and the Crown was required to assume the burden of proof. That may turn out to be the case with some of these Statutes. If so, then let it be clear. We are prepared to live by the letter and spirit of the law and as we said right from the beginning following the proclamation, indeed before the proclamation of The Canada Act 1982 with the Charter, that we will abide by the Charter and live according to its letter and its spirit.

If provisions of this or any other taxation Act or any other Statute enacted or enforced by this government, even if passed by a previous government, is found to contravene the Charter, then remedial steps will be taken.

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker. I want to address a few comments to this bill because, rightfully so, members on this side of the House have pointed out to the Attorney-General and other civil libertarians on that side of the House, some of the very extreme and onerous powers that are part and parcel of this Act and if this Act were in isolation we might accept some of the rationale the Attorney-General has given us this afternoon, but these kinds of powers are bestowed upon the police and enforcement officers in other Acts that we have been required to pass in this House.

The Summary Convictions Act is one; The Highway Traffic Act is another one, where there are new and wider and broader powers invested, not only in the police who are trained to handle that kind of authority, but to enforcement officers, to wildlife conservation officers, to traffic inspection officers that are ordinary civil servants employed by that government. The analogy that the Attorney-General has given us this afternoon, and he referred to the position taken by my colleague, the MLA for Turtle Mountain, as being one which appears to him to be hypocritical, in that there are certain powers already in place in the collection of the sales tax in the province. Those are not comparable as to the powers granted in this Act, because under The Sales Tax Collection Act, those people, that the officials of this government, can go to their premise and examine their records are licensed collectors of sales tax, given powers to collect sales tax by the province. It is a far cry removed from the ability of this Act to go into every single employer in this province, and with the heavy hand granted by this legislation, search and seize and all of the other onerous provisions in this Act and we're talking about ordinary citizens of the Province of Manitoba; we're talking about farmers who pay their wives a salary

now allowed by the provisions of the Federal Income Tax Act; we're talking about the people who run the convents in this province, that this government can go in with those tremendous powers granted in this Act, seize and demand records and search, all to collect a payroll tax, not anywhere in correlation or in accordance with the powers granted under The Sales Tax Act. It's an entirely different provision that he's providing to those bureaucrats in this Act to collect a payroll tax; quite a different example.

This Attorney-General, a member of the Manitoba Association of Rights and Liberties, in cooperation with now the Member for Ellice who we heard untold reams of objections from when he was on this side of the House to every nit-picky little thing that came up in our legislation, that man would stand in his place and ad nauseum, tell us how evil and foul and cruel and brutal we were as a government, and now he sits extremely silent, vying for the Premier's eye and a nod to the Cabinet and allows those kinds of powers to be granted to bureaucrats of this government, of search and seizure and all of the associated powers granted in this Act.

That may not be of concern to members on this side of the House if it weren't for the fact that we've already seen how those ordinary tax collection officers, not police officers, have used their powers in very recent instances in checking citizens of Manitoba for use of purple gasoline - unmarked cars; no identification; won't give their name. In our administration we didn't have the abuse by those people, of the kinds of abuses that we are seeing come forth now. Under this government, we're very concerned with the additional powers that this Attorney-General has granted through The Highway Traffic Act, The Summary Conviction Act and now this Act, that those tax collection officers, without formal police training, will abuse the powers granted under this Act and the Attorney-General will have to sit back as a civil libertarian and explain in this House how he was able to grant those kinds of extreme powers which are subject to abuse to the ordinary citizens of Manitoba and he will have to justify that to the people of Manitoba during the next election. As a civil libertarian, he is going to have a great deal of difficulty.

MR. SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you, Mr. Speaker. There's not much to say after listening to the Member for Pembina, particularly on that onus area. The principles of the bill, Mr. Speaker, we've debated many times. We've all made reference to the fact that we felt it was quite devious and that it hits all people although only 20 percent of the population, of course, see it. We've also made mention of the potential for abusing this particular tax and as such, it's a tax that we feel could be doubled and tripled and again the majority of people would not see it and again, what impact would that have upon our competitive position, as small manufacturers and small industry.

At this particular time, I'd like to address the problems as to how this tax will be collected and how the rules of collection will be enforced. Very little mention, of course, and it probably doesn't require that much detail as far as how the tax will be collected, as it

appears to be parodying the procedure used by the Federal Government in the collection of their taxes.

I don't know, but I presume, and, hopefully, the Minister will tell us precisely whether or not the same double-form system that is used now for payroll remittances under the federal deduction system will be used here and whether, really, all business people will have to do is fill out a form which is very similar, tear it off, maintain one side for their records and present payment along with that form which will be sent to government. Hopefully, the Minister will give us some indication of that.

Again, I'd like to reiterate what the Member for Turtle Mountain said when he indicated that, in fact, this is just another one of those small nuisances. It's not a small tax; no tax is. But it's a small nuisance to business people who do not have any more than one or two employees. The larger businesses, of course, have people that keep their records and that is their specific job. I can tell you, Sir, that as a farmer that is involved in harvest pressures and then something else, two or three months escapes very quickly and I can tell you that just last fall when something called an election came up, I found myself personally involved with the federal people because remittances were not made for two months, not because I was attempting to be in default in payment to the Federal Government, but I just plain forgot. It's just these many, many little taxes, very significant in principle and very significant in amount paid, but the two or three minutes that are required are often forgotten. I'm wondering if some other procedure could be developed; if there was some other way we could develop the remitting of this tax.

The enforcement area concerns me, because as anybody that may have read the bill realizes there's only a few provisions that deal with the paying of it and the rest of it is in the enforcement. I'd like to read or give you some idea, Sir, if I could, some of the areas that are covered within the Enforcement Section. These are them: Interest on debt; Interest on refunds; Exercise of power to recover debt; Lien on personal property; Certificate of debts and registration; Realization of lien; Effective failure to proceed; Lien on bankruptcy proceedings; Minister may order payment; Discharge of liability to debtor; Pay under demand; Personal service; Service of demand in business name. That's one page. There are four such pages of enforcement rules under this particular Act and the Minister and the government has said, well, don't be too concerned, other Acts have those same provisions. Well, I am led to believe that, in fact, only one other Act has those same provisions, that being the Corporate Capital Tax. In fact, the Retail Sales Tax, although it may have the reverse onus clause and all that, in fact, does not have the whole spectrum of powers. Indeed, only this tax and the Corporation Capital Tax have that.

The Sections dealing with unreasonable search and seizure have been dealt with adequately by the Member for Turtle Mountain and there's no need to dwell on that area.

I suppose the whole enforcement area, to my belief at least, will be challenged over the next two years - won't be challenged but in fact they'll be called upon to be used - because I believe there'll be many situa-

tions where the government rightly, I suppose, once they're given the power under this Act will feel they have the right to seize certain assets as many of the companies that are experiencing problems at the moment fall into bankruptcy. So I think that many of these provisions of enforcement will no doubt be tested. I'll be interested to see how the government reacts in some of these areas; whether they, in fact, will be party with the banks and other creditors and see how they, in fact, will go after those individuals and what assets that they'll want to secure payment under this Act.

As far as the reference made to giving notice - and I believe that notice of course should be given in all times when records are wanted - notice by way of mail, I believe, is a bad law. I've seen it in existence. As a matter of fact, I sat on an Appeal Board where we many times had to rule between an individual who said he had not received notice by way of mail; and the body on the other side of the table indicating that they, in fact, had sent notice. It's very difficult when, as part of the argument, one party says that they have used mail to give notice and I would hope, therefore, that the Minister would again review this whole area.

I support the review of the power of all these Acts as again has been mentioned by the Member for Turtle Mountain. I hope I can accept at face value the mention made by the Attorney-General that, in fact, rights within our homes will not in any way be violated by this Act or any others, because to me this is the most paramount consideration when we look at this whole bill. Coming from a rural area when virtually all our businesses are conducted out of our home, I tell you, Sir, that this Act and the interpretation that some of us can give to it is a very worrisome one indeed.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, I just want to in a very few moments simply indicate to you that while the comments made by my colleagues, the Member for Pembina, the Member for Turtle Mountain, of course, the Member for Morris are extremely valid with respect to their particular concerns about various aspects of the Act, particularly the enforcement provisions, but, Sir, let there be no mistake, the whole Act is bad. It's a bad tax. We don't think it should be imposed on Manitobans at this time. We will be registering that in a vote shortly. We simply don't think that now is a time that you add taxation measures onto the troubled businessmen, farmers and employers of this province.

Mr. Speaker, whether or not members opposite - and I know they don't - subscribe to economic stimulation via tax cuts as, for instance, is the position taken by the Reagan administration in the United States and indeed other administrations, I appreciate that they don't believe in that. I know that, they don't believe in that and that's fair game; they don't have to believe in it, but surely they must not be that blind as to see that when businesses are suffering, when everyday businesses are going bankrupt and more people are getting unemployed, now is not a time to add a tax. Now is not a time to add a tax.

So, Mr. Speaker, while there are individual sections of the Act that we take great exception to, the fact that

people can seize and apprehend and do various things that have already been commented on, let's make it very clear that the Conservative Opposition does not like this tax; will vote against this tax. It's a bad tax. Manitoba employers don't need it now.

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

HON. V. SCHROEDER: Thank you, Mr. Speaker. I don't intend to be very long, unlike the people on the other side. There were a number of comments made however that should be answered, at least, to some extent.

The Attorney-General has, I believe, done an excellent job of explaining taxation legislation to the other side and that is something that obviously was required, notwithstanding the fact that some of the members who spoke with respect to that type of legislation have been in government in the past and should know what taxation legislation is all about. The members have referred to the Charter of Rights and that's certainly a legitimate concern; it's a concern of ours. The Charter guarantees rights and freedoms, subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society; that's what the Charter says. Under governments Federal and Provincial, Conservative, Liberal and NDP over the last many, many years we have had reverse onus provisions in income tax legislation. That's something that people don't particularly like but when you have a system such as ours there is really not a great deal that can be done about it — (Interjection) — that's right. It would be unenforceable when you have a self-reporting system.

The provisions that we are dealing with here, there was reference made to interest on debt. The Member for Morris indicated, after I had made a comment that enforcement provisions - not with respect to this bill but with respect to another bill - were similar to other bills and he'd gone and taken a look and found that that was, in fact, true. That didn't make him happy but he recognized the truth of it. Well, I don't imagine anybody else on that side, other than maybe the Member for Turtle Mountain, would go to the bother of looking at other Acts but maybe just for the benefit of the two of them I could refer them with respect to interest on debt, for instance, to Section 22(2) of The Corporation Capital Tax Act; Section 17(4) of The Gasoline Tax Act; Section 22(1) and (2) of The Mining Tax Act; Section 17(4) of The Motor Fuel Tax Act; Section 13(4) of The Retail Sales Tax Act. Some of the members on the other side were present when that tax was enacted back in 1967, etc.

We can talk about exercise of powers to recover debts and again I would refer them to Section 13(11) of The Retail Sales Tax Act. They referred to other particular concerns that they had, disposal of surpluses and notices of sale and that sort of thing. All of them are found in various other provincial Acts which the Progressive Conservative Governments had passed in previous times. Seizure of goods upon non-payment, the Member for Russell, although he didn't stand and speak, did from his chair refer to seizure of goods and I would refer him to section 17(22) of The Motive Fuel Tax Act. It's in The Mining Tax Act; it's in

The Gasoline Tax Act; it's in The Corporation Capital Tax Act; it's in The Tobacco Tax Act

So you have it in a large number of the other Acts. Failure to pay tax, the provision here in Section 15(2) is also in The Retail Sales Tax Act. The requirement for additional information is in The Retail Sales Tax Act, if the Member for Morris is interested in that particular one. The right to examine records, documents, etc. is similar to one in The Retail Sales Tax Act, as well as all of the other tax Acts that I have referred to. They are in each of the Acts; seizure of books, again, is in all of the various provincial Acts, so it's not something that is specific to this Act, it is modeled on the the other provincial tax Acts and so I would suggest that this is concern that certainly wasn't there when they were in power.

There was a suggestion made by the Member for Rhineland that nobody ever taxes charities. Well, nobody likes to tax charities and nobody likes to tax business people, working people, farmers, etc. What we are doing here is passing a levy which can be compared to, for instance, Canada Pension Plan. Charities do pay their portion of Canada Pension Plan based on the amount of payments they make to their employees. It's not correct to say that they don't pay; they do pay. They do also pay Unemployment Insurance Commission premiums, just like every other employer. This is a levy on employers for health and education and to begin to take employers off this tax to narrow the base will require a higher rate and will require those small business people for whom the Member for Lakeside professes to have great concern. It would make them pay more and that is not something that we believe is equitable. We believe that it is equitable that all employers in the province share equally in the burden that has been placed on us through our loss of the \$719 million in transfer payments which deal mostly with health and post-secondary education in the province.

We had a choice of what, eliminating the programs, eliminating the education and health services up to that amount? We were not prepared to do that. If we weren't going to do that we had to raise the money and if we were going to raise the money we were going to do it basically either with a sales tax or this particular tax. We can go through all of the reasons again why we chose this tax over the sales tax and the basic reason is that this one is more fair. No tax is a tax that we would like to impose on people. We had letters from people like the Chamber of Commerce in Russell thanking us for not imposing the sales tax and finding some other means of raising our funds, because there are people out there who recognize that the retail trade sector in this province would have been very hard hit by the sales tax. There are people out there who know that the professionals would not have been hit at all by it. There are people out there who know that we wouldn't have gotten any money out of the banks by that tax; we would have gotten no money out of the insurance companies through that tax; we'd have gotten no money out of the financial institutions in the province through that tax. We found a tax that would affect those people as well as others in the province and we think that is why it is a more fair tax, as well as the fact that this is a tax which, by and large, impacts on taxpayers on pre-tax income, so that they

can deduct this particular tax from their taxable income when they file their income tax returns. That has to be a tremendous benefit to Manitobans and it does impact, incidentally, on the amount of revenue that we will receive from the Federal Government and that happens to be a significant amount, far more than we would have received with the sales tax. So, for all of those reasons and more, as developed in the Budget, we chose this tax. We happen to think that it is more equitable than the sales tax and that is why we are very happy to recommend it to the House.

There was suggestion by the Member for Turtle Mountain that we should have had a legal opinion with respect to this tax immediately. We have taken the position throughout that what we had here was a right to tax in the same way that the Province of Quebec is entitled to tax. Employers in the Province of Quebec have for 12 or 14 years been entitled to deduct this levy from their taxable income in filing federal income tax returns. Because of that fact, those employers in Quebec who also do business in the Province of Manitoba have been entitled to deduct from their taxable income that particular levy from Quebec and that has affected Manitoba revenues indirectly, but it has affected Manitoba revenues; it cannot be argued that it has not.

We have never, through four governments: The Weir Government, the Schreyer Government, the previous government and the current government, suggested that employers were not entitled to do that and we are now saying that we have the same right as the Province of Quebec to pass that particular type of taxation levy. For all of that time the Government of Canada has, indeed, paid that tax. At one point, it was 1.5 percent; they paid it. Then it went up to 3 percent and they paid it. We have maintained throughout that if the Government of Canada is paying to Quebec, then we have the right to that payment in the Province of Manitoba.

Now, we have, in view of the legal opinions sought and received, determined that we will be making some minor amendments to the Act; not that we believe that there is any concern in terms of the Federal Government paying the tax - the Federal Government people have been open in saying that they're prepared to pay it - just simply so that there will be no doubt as to the validity of the Statute and those changes will come at committee stage.

Thank you.

QUESTION put, MOTION carried.

MR. B. RANSOM: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

The question before the House is the proposed motion of the Honourable Minister of Finance, Second Reading of Bill No. 46, The Health and Post Secondary Education Tax Levy Act.

A STANDING VOTE was taken, the result being as follows:

YEAS

Messrs. Adam, Anstett, Ashton, Carroll, Corrin,

Cowan, Desjardins, Mrs. Dodick, Mr. Doern, Ms Dolin, Messrs. Eyler, Fox, Harapiak, Harper, Mrs. Hemphill, Messrs. Kostyra, Lecuyer, Mackling, Malinowski, Parasiuk, Penner, Ms Phillips, Messrs. Plohman, Santos, Schroeder, Scott, Mrs. Smith, Messrs. Storie, Uruski, Uskiw.

NAYS

Messrs. Banman, Blake, Brown, Downey, Driedger, Enns, Gourlay, Graham, Mrs. Hammond, Messrs. Hyde, Johnston, Kovnats, Lyon, Manness, McKenzie, Nordman, Mrs. Oleson, Messrs. Orchard, Ransom, Sherman, Steen.

MR. ACTING CLERK: Yeas, 30; Nays, 21

MR. SPEAKER: The motion is accordingly passed.
The Honourable House Leader.

BUSINESS OF THE HOUSE

HON. R. PENNER: Mr. Speaker, before adjournment, by leave, I would like to have added to the Order Paper a Second Reading of Bill 65, An Act to amend the City of Winnipeg Act. I should make it clear that whether or not this bill will be proceeded with is not yet being decided but, by leave, to get it on the Order Paper to keep that option open.

MR. SPEAKER: Is that agreed? (Agreed)
The Honourable Member for Thompson.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. S. ASHTON: By leave, Mr. Speaker, I beg to present the First Report of the Standing Committee on Private Bills.

MR. ACTING CLERK: Your Committee met on June 29, 1982 and appointed Mr. Ashton as Chairman.

Your Committee agreed that a quorum for all future meetings of the Committee should consist of six (6) members.

The Committee heard representations with respect to the bills before the Committee as follows:

Bill (No. 24) - An Act to Grant Additional Powers to F.G. Holdings Ltd.
Mr. Robert Gabor, Lawyer

Bill (No. 34) - An Act to Incorporate The Menno Simons College
Mr. Robert Friesen and Dr. David Friesen, Lawyers;
Dr. G. Lohrenz

Bill (No. 35) - An Act to amend An Act to Incorporate The Mennonite Brethren Church of Manitoba.
Mr. Herbert Suderman, Lawyer.
Your Committee has considered:

Bill (No. 24) - An Act to Grant Additional Powers to F.G. Holdings Ltd.
Bill (No. 25) - An Act to incorporate The Winnipeg Humane Society Foundation.

Bill (No. 34) - An Act to incorporate the Menno Simons College.

Bill (No. 35) - An Act to incorporate The Mennonite Brethren Church of Manitoba.

And has agreed to report the same without amendment.

All of which is respectfully submitted.

MR. SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Mr. Speaker, I move, seconded by the Honourable Member for Brandon West, that the Report of the committee be received.

MOTION presented and carried.

MR. SPEAKER: The time being 5:30 p.m. the House is adjourned and will stand adjourned until 8:00 p.m. this evening.