

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Thursday, September 4, 1969

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Notices of Motion; Introduction of Bills; Orders of the Day.

The Honourable Member for Arthur.

ORAL QUESTION PERIOD

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, before the Orders of the Day, I'd like to direct a question to the Honourable the Minister of Agriculture. I did pose a question to him a couple of weeks ago in regard to his statement after the July 20th conference in New Brunswick, at which time he stated to the press that he had made a favourable impression on the Federal Government in regard to cash advances which would be increased to include any farmer regardless of his acreage. I wonder if the Minister could give us any further statement in regard to this.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Mr. Speaker, at this point, I have nothing further to add to what was stated at that time, other than we are still in the process of preparing a submission along those lines.

MR. WATT: Mr. Speaker, I have a further question to the Minister of Agriculture. I have had reports this morning of farmers posting signs out in the grain growing area of the province offering their grain for as low as 25¢ a bushel. Would it be the intention of the Minister to stop such sales, and if so, would the farmers be reimbursed by the same acreage of payment that has already been applied to this government since their taking over.

MR. USKIW: Mr. Speaker, I have no knowledge of any such activity.

MR. WATT: Mr. Speaker, I recall at the last session my honourable friend reminded me constantly of such sales. I'm asking him now if he intends to do anything about stopping such sales.

MR. USKIW: I wonder if the honourable member would be more specific with his question.

MR. WATT: Mr. Speaker, I couldn't be any more clear.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q.C. (River Heights): Mr. Speaker, before the Orders of the Day and with the leave of the House, I would like to, if I may, make a brief statement in connection with the take over yesterday by Canadian Aviation Electronics, North West Industries, of the Air Canada Overhaul Base. Yesterday saw the official take over of the Overhaul Base and probably if not the last, one of the last meetings of the Liaison Committee of the Air Policy Committee. This meeting was held yesterday and was chaired by the First Minister.

My point in rising is to indicate to this House that while the conclusion of the years of conflict in connection with this matter may not have been necessarily to the satisfaction of all those in Manitoba, nevertheless as a result of a supreme effort of all parties in this House and all members in the Federal House who represented Manitoba, and a marshalling of the total effort of our community, we were successful in at least arriving at a conclusion which provided an alternative to the Air Canada to operate the Overhaul Base and at least . . .

HON. SAUL CHERNIACK, Q.C. (Minister of Finance)(St. John's): Mr. Speaker, may I interrupt. On a point of order, I don't quite understand the Order under which the honourable member finds that he has the right to make this statement whatever it is. He, of course, started by saying, with permission of the House, and in my limited experience, which of course is more extensive than his, it is usual that a Minister makes a statement which he wishes to make public through the House or it is a matter of some sort of personal privilege or one related to the constituency of the member who arises, and I'm just wondering to what extent the honourable member, in what capacity he feels it is his role to make a statement on the Air Canada policy matter. Otherwise, all of us could get up and make all sorts of statements about all sorts of committees, and it seems to me he ought to be relating in a specific way his right to be making this type of statement at this time.

MR. SPIVAK: Mr. Speaker, I do so as former Chairman and Chairman for three years of the Air Policy Committee -- (Interjection) -- that's right, and a person who is partially responsible. My purpose is very simple and I'm sorry that the Honourable Minister of Finance seems to be offended by this. I may say that I've also sat in this House, I've also witnessed

(MR. SPIVAK cont'd) . . . on occasion others who have sat on this side who have stood up in connection with matters of vital importance to the province and paid particular tribute to them.

My purpose in standing today is (a) to mention the take over; and (b) to mention the fact that there was some dissatisfaction, but nevertheless this has now been solved; in addition, to wish the company well, and to pay tribute to three individuals - and I think I'm qualified in this respect to pay tribute to three individuals who deserve a great deal of credit for what has taken place. The first is the counsel for the Province of Manitoba, or the counsel during the period of time, Mr. Arthur Morrow, Q. C. ; the second is the Deputy Minister of the Department of Industry and Commerce, Mr. Lorne Dyke, who guided the actual take over and who as much as anyone was responsible for it; and the third is to pay tribute to the union representative, who unfortunately now will be leaving the city to go with Air Canada in Montreal, Mr. Don Mills. I believe the three of them are owed a debt by this House and by the province for their perseverance and for their effort in connection with this matter.

MR. SPEAKER: The Honourable the First Minister.

HON. ED. SCHREYER (Premier and Minister of Industry and Commerce)(Rossmere): Mr. Speaker, since the statement just made by the Honourable Member for River Heights is in the nature of a statement of tribute to those who were actively engaged in the efforts to first of all retain the Air Canada Overhaul Base here in Winnipeg and when that proved to be not possible, then engaged themselves to the full in efforts to see that the change or transition was carried out without detriment or as little as possible negative effect to those who were working at the Overhaul Base, since he has made this statement as a tribute to these people I would like to join in it. Although I can't help but make the observation, Mr. Speaker, that it's quite out of order in the form it was done; but, however, since it's been made, let me say that I certainly agree with the comment that he has made.

I happen to be aware, although I played a somewhat different role, I'm nevertheless quite aware of the kind of work and effort that was engaged in by all of these people whom the member for River Heights referred to. The Air Policy Liaison Committee had a very difficult role and responsibility to try to fulfill. I know, personally, of course of the work and effort put into the task by Mr. Don Mills, and Deputy Minister of Industry - and I don't mind saying the former Minister of Industry and Commerce, the Federal members of Parliament from the Greater Winnipeg area. All in all, I think it can be said at this point and in time that while we still have the right to express disappointment that the Crown Corporation's Overhaul Base operation is transferred after all that effort, nevertheless, I think it's important to note that alternative arrangements have been made that seem to be a genuine attempt to minimize dislocation. Commitments were made in the course of the past two years as to how the transition was to be carried out, and at the Air Policy Liaison Committee meeting yesterday, I think it was indicated to everyone's satisfaction that all commitments are in place, are being adhered to now, there is no significant deviation from them, although one caveat I place, that there seemed to be in a few individual cases, perhaps not more than six in number, some instances of grievance which are still being worked on. So I conclude by saying that I join the tribute to the efforts of these people.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, may I indicate that as acting House Leader I deemed it my responsibility to point out to both you and members of the House when I felt that a member was improperly addressing the House, and I might say in passing that possibly we ought to be a little more cautious in the way we grant leave when people rise for permission to speak.

Also in the capacity that I have assumed temporarily, I wonder if other members have had the same wonder when they note on their desks copies of Bills 10 and 22. I might inform the House that I enquired from the Deputy Clerk and was told that the reason was that the names of the proposers of the bills were improperly shown on the copies formerly distributed and for that reason they deemed it advisable to send out the bills with the name of the correct mover of the respective motions.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. GORDON E. JOHNSTON (Portage la Prairie): Are we at the Orders, Sir, the question period.

MR. SPEAKER: We're before Orders of the Day.

MR. G. JOHNSTON: Before the Orders are called, Mr. Speaker, I'd like to address a question to the First Minister. Is it his intention to announce in the House tomorrow his

(MR. JOHNSTON cont'd) . . . . . nominee for the Ombudsman?

MR. SCHREYER: No, Mr. Speaker, and I should add that the article appearing in yesterday's press was somewhat misleading. I don't consider it serious but it was somewhat misleading in the sense that it implied there would be an announcement, when in fact all I said is that I hoped we could come to a tentative decision, and then go through the necessary consultation with leaders on the other side of the House to see if we can come to some kind of consensus. It's always difficult to know exactly how to proceed. It seems to me first you try to find someone who is prepared, whom we are prepared to recommend, who is prepared to accept, and then you go through a process of consultation, which is certainly our intention.

MR. G. JOHNSTON: I thank the First Minister for the statement in that regard, Mr. Speaker. So it is understood then that the suggestion of the Official Leader of the Opposition is being taken, that there will be all-party consultation before the announcement?

MR. SCHREYER: Well, yes Mr. Speaker, this is the way I understand . . . I would hope that the procedure will take place. We will attempt to obtain agreement from someone whom we are prepared to recommend, then we will seek the agreement of honourable members opposite. There's no point in us proceeding otherwise, if there's a spirit of co-operation in this matter.

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

MR. WALTER WEIR (Minnedosa): Mr. Speaker, I would like to have continued on that debate, but I won't because I would like to try and stay within the rules. As a result of the same newspaper there was also some further speculation, Mr. Speaker. I wonder if the Minister of Finance can indicate whether the supplementary estimates will be tabled in the House tomorrow and whether the budget can be expected on Monday or Tuesday of next week?

MR. CHERNIACK: Mr. Speaker, I read with interest the item in the newspaper stating when the budget would be presented. There's no justification for the statement having been made. I might say that this is what happens when a press reporter says, are you going to do it tonight or tomorrow because I have to arrange my press; and I said, no, it won't be tonight or tomorrow, but I hope it'll be next week; so that's the interpretation placed on it by the press. I am waiting for the notification that the printing has been completed. I am hoping, and it's dependent entirely on the mechanical problem, that I might be able to leave it with honourable members before we adjourn tomorrow. That is the supplementary estimates of expenditure. I am hoping that I will have the estimates of revenue and the budget speech itself sometime next week, but I will not tie myself down to any more than that statement.

MR. WEIR: Well, Mr. Speaker, not to be difficult, because we have time schedules that we're trying to arrange too and I wouldn't want to be absent when it happened. I just wonder if the Minister of Finance could give us as much leave time as is possible for him - when he knows. I'm not trying to push him.

MR. CHERNIACK: I certainly will undertake to do so. I would appreciate knowing how much is leave time; and I would also appreciate it if the Honourable the Leader of the Official Opposition would care to give me some idea of his time tabling in his diary so that I wouldn't inconvenience him.

MR. WEIR: Mr. Speaker, I'll accept the question from the Minister of Finance and to say that I had some occasion possibly to need to be out of town either Monday or Tuesday or Wednesday of next week, and I would have a choice depending on when it happened and I would be governed according to his action.

MR. CHERNIACK: May I state then in the light of what the Honourable Leader said and probably because that's the way it would work anyway, but in any event I would undertake not to bring it in Monday or Tuesday. Would that assist my honourable friend?

MR. JAMES H. BILTON (Swan River): . . . Mr. Speaker, as a newspaper man, I wonder if the press could be wrong as many times as they are being accused of it.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I'd like to address a question to the Honourable Minister of Health and Social Services. Could he prevail on the Insurance Corporation in connection with Medicare premiums that these notices would coincide with other utility notices, because I have had complaints from business people who would like to see a change being brought in. They find it difficult now that the notices come in later on in the month, deductions have already been made for that month as to their cheques and they would like to see a change made, either that the deduction would be the following month or that it would be earlier in the month; but I think following the month that it is billed for would be more preferable.

HON. SIDNEY GREEN (Minister of Health & Social Services)(Inkster): Mr. Speaker, I hope the matter will soon be clarified, but I'll take the honourable member's question as notice and I'll refer it to the Corporation.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. GILDAS MOLGAT: Mr. Speaker, I'd like to address a question to the Minister of Finance. Are there still monies owing to the Province of Manitoba or to the Telephone System, Compensation Board or the Hydro from San Antonio Gold Mines?

MR. CHERNIACK: That's an interesting question. I'm looking forward to ascertaining the answer so I can inform the honourable member.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Before the Orders of the Day, I'd like to address a question to the Honourable Minister of Finance. In view of Mr. Benson's statement yesterday that the White Paper on taxation will be in fact tabled in October, I wonder whether the Provincial Government is intending to amend the previous submission on the Carter Commission report to the Federal Government?

MR. CHERNIACK: Mr. Speaker, I might indicate to the honourable member that we have a letter from Mr. Benson, which of course I don't have at hand, but which indicates that after this White Paper will have been distributed to the senior civil servants who will be attending the meeting there will be some period of some sixty days or so during which time the government will be able to prepare itself for the next meeting of ministers. The date as to the meeting of ministers has yet to be established. We have notified the Federal Government that we are looking forward here to receiving the White Paper, to reviewing it in the light of such considerations which are not influenced by the submission made by the previous government for which we do not accept responsibility.

MR. SPIVAK: Mr. Speaker, then I take it the Honourable Minister of Finance is saying that it is not their intention to amend the submission of the Province of Manitoba.

MR. CHERNIACK: Mr. Speaker, I have yet to become convinced that it is necessary that we amend the statement of the submission of the previous government. There has been an indication made that we do not feel bound by it.

MR. SPIVAK: A supplementary question, Mr. Speaker. Have you informed the Federal Government of that fact?

MR. CHERNIACK: I think I've already so indicated.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY ENNS (Lakeside): Mr. Speaker, I follow up with a question to the Minister of Mines and Natural Resources, follow up a question that I asked him some time ago with respect to the possible flooding in the Lake Winnipeg and surrounding area. We, during the last high water period began a program of dyking and is it the intention of this government to extend any of this emergency dyking that was done at that time - '66 and '68 - by the past administration. The job isn't completed. I think we can count on high water on Lake Winnipeg this year. All indications are that we have above average runoff and that we will be in difficulty later on this fall.

HON. LEONARD S. EVANS (Minister of Mines and Natural Resources)(Brandon East): Mr. Speaker, as I believe I indicated on a previous occasion when the honourable member asked a similar question, there have been no representations made as such by citizens of Manitoba that might be immediately affected by such flooding. As he knows, being the former Minister of Mines and Resources, the people in the Water Control Branch I trust would be continually observing the situation. However, in view of his concern I will make a personal matter of this and look into it at the earliest possible moment.

MR. SPEAKER: Has the honourable member a supplementary question?

MR. ENNS: A supplementary question directed to the Honourable the Minister of Agriculture who was very often my nemesis with respect to high water around Lake Winnipeg. The question being, did the previous government then solve your water problems in your particular area, Mr. Minister?

MR. USKIW: Mr. Speaker, I was up in an attempt to answer my honourable friend but unfortunately you recognized the Honourable Member for Lakeside first. I want to say that the whole policy is under review. I'm sure my honourable member appreciates the fact this comes largely under the ARDA or FRED program and that we are taking a thorough review of the whole program in the area and policy will be announced.

MR. ENNS: . . . brought up just as a matter of correction. I would not think that this would come under the FRED program. The FRED program relating to the Interlake and anything east of Lake Winnipeg is not necessarily in the . . .

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, before the Orders of the Day I'd like to direct a question to the Minister of Youth and Education. Has he or his department enunciated a policy regarding community colleges which would place them in order of priority Winnipeg, Portage and Thompson?

HON. SAUL A. MILLER (Minister of Youth and Education)(Seven Oaks): I'm not aware of any decision by the department and I'm certainly not aware of any statement I made in that regard.

MR. CRAIK: A subsequent question, Mr. Speaker. The Superintendent of Schools in Thompson yesterday apparently indicated that there was an order of priority indicated to them that would place them in third priority for a college.

MR. MILLER: He may have suffered from that misconception due to information received from the former government. I really couldn't tell.

MR. CRAIK: Mr. Speaker, I wasn't intending to try and trigger anything from the Minister, it was just a matter of information.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I direct a question to the Minister of Agriculture, although perhaps if the Minister of Labour were present it would also be directed to him. Reports from the west coast indicate that shipping is once again avoiding the Port of Vancouver and, of course, at a time when we're all concerned about what little grain shipments we have to deliver, certainly it would again have serious implications - not only for Manitobans but perhaps more importantly for the western provinces, but nonetheless as a western province we are involved. I'm wondering whether or not the good offices of the Minister of Labour, indeed the Minister of Agriculture, couldn't be used to intervene on behalf of the farmers of Manitoba and western Canada to give some consideration to allowing the vital movement of grain to go through that port. I believe the dispute centres around the Longshoreman's Union that is pending, they have not taken any strike action yet, but the fact remains that ships are being diverted from that port.

MR. USKIW: I'm sure my honourable friend knows that there is no area by which means the Government of Manitoba might intervene in any contractual arrangements between the trade union movement in B. C. and the shipping companies or the elevator companies.

MR. ENNS: Mr. Speaker, a supplementary question. That may be well but really is the Minister of Agriculture satisfied with that kind of an approach. At least he could indicate to the farmers of Manitoba that he is concerned about it, maybe make a few phone calls, maybe make a trip down. I'll pair with the Honourable Minister if he wants to go to Vancouver and attempt to exert some influence over, what I'm led to believe are in some instances some of the colleagues of my members opposite, with respect to the unions involved.

MR. USKIW: Mr. Speaker, if I knew that we were going to have a by-election in the offing very shortly perhaps I might take the suggestion of my honourable friend.

MR. ENNS: Mr. Speaker, a supplementary question. Could I ask the Minister of Agriculture if the present government are still taking the position that they took in opposition that the Manitoba farmers have no interest in the Port of Vancouver?

MR. USKIW: No, Mr. Speaker, I've never taken that position.

MR. WATT: . . . better read Hansard.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I'd like to address a question to the Honourable the Minister of Education. Is there any tightening up as to the amount of money or funds that are being made available under the student loans program? I know this is Federal legislation but it's being administered by the provincial authority and could he inform us?

MR. MILLER: No, to my knowledge there's been no change at all, and certainly no tightening up.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, before the Orders of the Day I wanted to ask the Honourable Minister of Mines and Resources if my crude plotting of the co-ordinance he gave me regarding the oil drilling at Hudson's Bay is correct; the hole is being drilled on the property, or in a geographical location that would put it within Manitoba's boundary providing the boundary

(MR. CRAIK cont'd) . . . . extension mentioned was gained. Could he indicate whether or not he has been able to ascertain whether this is true?

MR. EVANS: Mr. Speaker, I'm pleased that the honourable member raised the question. I was about to make a statement on this today. The answer is yes. If you take the western extension of the 60th Parallel and the Manitoba-Ontario border it does fall within the pie shaped section that you referred to. We're talking now about the drilling by the Aquitaine Company, drilling for oil, it does fall within that triangular area that you were concerned about.

MR. CRAIK: A subsequent question, Mr. Speaker. Is the Honourable Minister pursuing the matter in awareness that Manitoba and Ontario and Quebec had reached essentially verbal agreement on the distribution of boundaries along those lines?

MR. EVANS: Well, Mr. Speaker, my understanding is that there is some differences between what Ontario wishes as the boundary, and what Manitoba desires as the boundary. I am not, as he may be aware, fully conversant with this particular dispute, but my answer is that the drilling does occur in the area which we believe to be the extension of the Manitoba boundary.

MR. CRAIK: A further subsequent question, Mr. Speaker. Would he be good enough to elaborate to the House the policy enunciated by the Federal Government in this relation; and furthermore could he, considering the urgency of the matter in the event that oil were discovered, could he provide the House with further information as soon as possible?

MR. EVANS: Mr. Speaker, I don't know whether I'm in a position to enunciate the Federal Government's policy in this matter. I think this is really, you know, beyond my particular function.

MR. SCHREYER: . . . indicate to the Honourable Member for Riel that the Federal Government's position is that it is prepared to negotiate further in this connection.

MR. CRAIK: On this point, Mr. Speaker, I think that the policy goes further than that. That they had actually made a proposition to the provinces whereby the royalties would be split with the Federal Government, but there was no agreement.

MR. SPEAKER: May we hear the honourable member's question? Has the honourable member a question?

MR. CRAIK: Well I just wanted to bring the First Minister up to date on it. I do consider it a matter of some urgency. I'm sure all Manitobans do in light of the present drilling that's going on.

MR. SPEAKER: I think we'd be well to . . .

MR. SCHREYER: On a point of order, Mr. Speaker, on a point of order. The honourable member said that he wanted to bring me up to date on it, and I want to suggest to him that I really don't require that and I don't think the honourable member is in a position to do it in any case.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, before the Orders are called I'd like to direct a question to the First Minister in his role of Minister of Industry and Commerce. With respect to Churchill Forest Industries and their subsidiaries, is there any requirement, all things being equal, in the matter of hiring men or hiring machinery, that they are required to hire or lease Manitoban labour or machinery?

MR. SCHREYER: There is provision in the agreement where - to put it in layman's terms - there is a right of first refusal you might say. Or to put it in more precise words, there is a requirement in the contract that Manitoba material and supply must be taken, all other things being equal, must be taken first.

MR. G. JOHNSTON: A supplementary question, Mr. Speaker. Before noon I had a telephone complaint from a person who tried to have a truck taken on and he told me that of 65 trucks that were hired, 45 were from Saskatchewan. So my question would be, would he look into this matter?

MR. SCHREYER: Yes, certainly, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): I'm just wondering whether to direct a question to the Minister of Mines and Natural Resources. In respect to the possibility of the oil being found, which constituency does this lie in?

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

MR. JACK HARDY (St. Vital): Mr. Speaker, I'd like to direct this question to the

(MR. HARDY cont'd) . . . . Honourable Minister of Finance. In view of the comments of the Minister of Mines and Natural Resources indicating that this is being carried out within the boundaries of the province of Manitoba, is revenue tax being collected on this operation?

MR. CHERNIACK: Mr. Speaker, I confess I did not listen to the precise statement made by the Honourable Minister so I can't really answer or even speculate on the answer that I could give to the Honourable Member for St. Vital. I would say that I will attempt to review Hansard and if there is an answer I will try to give it.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, before the Orders of the Day I'd like to address a question to the First Minister. I believe, or I understand that a meeting was held with the Federal Minister at noon today to discuss the possibility of joint action on the TED recommendations. I wonder if he would be in a position to have a report for this House?

MR. SCHREYER: I can have a more extensive report, Mr. Speaker, at a later date. However, I can advise the House now that of the many things that were discussed at the noon meeting today, one of the things was that we did come to some decision as to the procedure to be followed between the different departments of the Government of Manitoba and the Federal Government, involving some four or five departments provincially and counterparts federally, for a meeting later this year, and the Federal Minister has undertaken to convene, make the necessary arrangements for these meetings.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Well a supplementary question. Could you inform the House whether a joint ministerial committee of the Federal and Provincial governments will be set up or not?

MR. SCHREYER: Yes, Mr. Speaker, that's correct.

MR. SPIVAK: Well one other supplementary question. Was the matter of the project Uranium Enrichment discussed at this meeting or not?

MR. SCHREYER: Mr. Speaker, it may have been, but I don't think that this is the kind of question that I should be expected to answer. Matters that are subject to current negotiation really the honourable member knows well cannot really be revealed.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. BUD SHERMAN (Fort Garry): Mr. Speaker, I'd like to direct a question to the Minister of Mines and Natural Resources. Can he tell the House whether he met today with Federal Energy Minister Lang on the subject of pollution; and if so is he in a position to advise the House as to the scope of the discussions on this subject?

MR. EVANS: Mr. Speaker, I can advise you, yes I met, along with the Minister of Health and Social Services, who as you know is responsible for the Clean Environment Commission, that commission which is directly concerned with pollution problems in the province of Manitoba at the present time, and as well as the Honourable Minister of Agriculture. We discussed in general terms the implications of the proposed Canada Water Act and the possibilities of that Act being able to improve the problem of pollution that we are now faced. There are many many implications. We had a very general discussion. I think by and large the proposed legislation will be worthwhile, but as you can appreciate, this is proposed federal legislation and we were discussing it in a very very preliminary way. -- (Interjection) --

Excuse me. Before I sit down I'd like to elaborate on the answer given by the Honourable Minister of Finance to the Honourable Member for St. Vital with regard to royalties paid on what he assumes to be production in the Hudson's Bay area. I'd like to inform the honourable member that this is in the exploratory stage. We're not in production yet.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): A supplementary question, Mr. Speaker. I wonder in dealing with the proposals of the Federal Government, if the Minister could indicate if the government is in general agreement with the proposals being offered by the Federal Government, or if they're going to take the attitude of the Premier of British Columbia?

MR. EVANS: I think the honourable member will have to give this government much more time to consider the proposals before we can answer that statement.

A MEMBER: It didn't take Premier Bennett very long to make . . .

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

MR. HARDY: Mr. Speaker, as a matter of clarification may I direct this to the Minister of Mines and Natural Resources. My question did not pertain to royalties but rather to revenue tax being collected on equipment being utilized in the exploration of that area.

MR. CHERNIACK: Mr. Speaker, I understand that the revenue tax, which is a sales tax, does not apply to production equipment. If I find I am in error, or if my department finds I'm in error, I will correct that.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I'd like to address a question to the First Minister, who is also the Minister of Industry and Commerce. Could he tell us whether the supplementary agreement with Churchill Forest Industries is available at this time, and whether it's in the form of an Order-in-Council or just how do we go about it?

MR. SCHREYER: Mr. Speaker, I'd like to accommodate my honourable friend but the agreement has not been ratified, has not been finalized - to put it that way. Instruments of ratification have not been executed and therefore it's not available just yet. When this is done, the agreement is concluded in that respect, then it would be possible to accede to the honourable member's request.

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

MR. HARDY: Thank you, Mr. Speaker. Again may I direct this to the Honourable Minister of Finance. I thank you, Sir, for your answer, but in view of the comments of the Honourable Member for Portage la Prairie indicating that there are 65 trucks in use in this operation, my question re revenue tax still applies.

MR. CHERNIACK: I think, Mr. Speaker, there is some confusion here between the question asked about C. F. I. and the question asked about exploration. I think if the honourable member wants to have precise answers to precise questions maybe he ought to file an Order for Return.

#### STATEMENT

MR. SPEAKER: The Honourable Minister of Health and Social Services.

MR. GREEN: Mr. Speaker, with leave of the House I have an announcement that I'd like to make. It is my pleasure, Mr. Speaker, to advise the House that the government has decided to change its system of financing that portion of the health premium tax which was used to finance the Manitoba Health Services Insurance Corporation. The change will be accomplished by a reduction in the amount of the premium tax, particulars of which are as follows: (I'd like to emphasize that this refers only to the medical portion of the tax. The hospitalization portion of the tax remains unchanged.)

For married persons the premium tax will be reduced from \$9.80 to \$1.10 per month or \$13.20 per year as compared with the existing premium tax of \$117.60 per year.

For a single person the premium tax will be reduced from \$4.90 a month to 55 cents per month or \$6.60 per year as compared with the existing premium tax of \$58.80 per year.

As a result of this reduction, the total combined hospital and medical health premium tax will be \$99.60 per year for a married person and \$49.80 per year for a single person. This compares with the present \$204 a year for a married person and \$102 per year for a single person. This reduction in premium taxes will be effected by regulation and will take effect as at November 1, 1969. For purposes of clarity, I would emphasize that the monthly portion of the present combined premium tax of \$204 for married persons and \$102 for single persons will continue to be payable for the month of October and will be billed for in the month of September. The reduced premium tax will be billed for by the Corporation in the month of October and will be payable starting on November 1st, 1969.

It will be noted that the reduction of the medical premium taxes by \$104.40 out of a total of \$117.60 with an equivalent reduction for single persons, amounts to roughly an 88 percent reduction in these premium taxes.

MR. WEIR: Mr. Speaker, might I ask the Minister of Health a couple of questions? One is, what will the cost of these changes be, the amount of money that will be reduced off premiums on this base, and has he any idea how long this premium can be expected to last.

MR. GREEN: Mr. Speaker, the amount that is involved is roughly 27 - 28 million dollars -- (Interjection) -- for a full year, for a full year, yes. That insofar as the length of time that this can be anticipated to continue I'm not able to give any statement on that to the House.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Has the government decided as to how they are going to raise that \$28 million?



MR. GREEN: Mr. Speaker, the honourable member well knows that that is a matter for the budget. I am fairly satisfied that it will be by a form of taxation which is more equitable and more related to the capacity of individuals to pay the tax.

MR. SPEAKER: The Honourable the House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, I'd just like to say to the Minister that we of this Party welcome the reduction that he has made, that we also have advocated a similar change. We also look with interest on how this will be paid for. We know that it's going to have to go somewhere else.

MR. SCHREYER: Mr. Speaker, since there was no question attached I wonder if I could be allowed the similar privilege to say simply that while we welcome the honourable member's support for the change, we would also welcome his support for the "other subsequent changes."

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, the Minister of Health and Social Services indicated that the cost to the Treasury would be roughly \$28 million per year. Does this indicate that the cost provincially that was on premiums then was of the order of 32 or 33 million dollars?

MR. GREEN: Mr. Speaker, perhaps I was loose in the amount. The amount that was budgeted for was roughly \$30 million and I just deducted an appropriate figure -- I used an approximate figure -- and said that approximately \$28 million will be raised by another form of taxation.

MR. CRAIK: You did say 88 percent reduction though earlier?

MR. GREEN: Yes, I calculated -- mind you that's my calculation -- \$104.40 out of a total \$117.60 and I calculated that to be roughly 88 percent of the premium.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: A question pertaining to the announcement. Is it the intention of the government to accommodate for this reduction in this forthcoming budget?

MR. CHERNIACK: Might I entreat the Honourable Member for Rhineland to wait until the budget is presented?

#### ORAL QUESTIONS (cont'd)

MR. SPEAKER: The House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, I didn't rise to comment on the Premier's last remarks; I reserve judgment.

I have a question for the Honourable Minister of Municipal Affairs. Is it the intention of this government to move towards the paying of municipal taxes on provincial building and land located in the municipalities concerned, in a similar manner in which the Federal Government does?

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs)(Selkirk): This is a matter of policy determination and if such a policy is arrived at it will be made known to the member.

MR. G. JOHNSTON: A subsequent question, Mr. Speaker. Is the matter under active consideration? -- (Interjection) -- Thank you.

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

MR. HARDY: Thank you, Mr. Speaker. In view of the announcement that was made, may I ask of the Minister of Health and Social Services if the commission that is now payable to local levels of government for the collection of premiums is going to remain as is or is this going to be increased in view of the decrease in premium?

MR. GREEN: Mr. Speaker, to be honest with my honourable friend, I hadn't given my attention to that eventuality, but it seems to me commission is usually paid on a percentage basis and there will be a lower premium collected; but we'll have a look at it.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, if I could ask another question of the Minister of Health and Social Services. In the event of someone working for an employer who pays a portion or all of his medical premium, will the adjustments to that be up to local decision?

MR. GREEN: Mr. Speaker, the honourable member will recall that this matter was very foremost in my mind at the last Session of the Legislature as a result of which an amendment was made to the Medical Act which assured the fact that any reduction would be passed on to the employees. We intend to deal with that situation and we intend to even make it more clear that this is to happen in legislation which will be presented to the House.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I'd like to direct my question to the First Minister. In view of the announcement that was just made does this mean that there could be an election before the end of this year.

MR. SCHREYER: Mr. Speaker, I am not one of those who hesitates going to the people, but the honourable member may recall that an undertaking was given that only a defeat in this House or the passing of four years would see another election in Manitoba.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: Mr. Speaker, before the Orders of the Day I wonder if the Minister of Municipal Affairs has any comment to make on the water and sewer problem in Churchill?

MR. PAWLEY: Mr. Speaker, I'm quite aware of the honourable member's concern and I share it and as I indicated yesterday that I do hope that I can make a statement in respect to this within the next few days. If the honourable member would just give me another day or two I hope that I can acquaint him with this statement.

HON. PHILIP PETURSSON (Minister of Cultural Affairs)(Wellington): Mr. Speaker, the Honourable Member for Assiniboia directed a question to me yesterday about a proposed statue of Her Majesty the Queen. I can give him the answer to that question now. Such a statue is in preparation. It was donated and will be unveiled in the Centennial Centre some time during the coming year.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, before the Orders of the Day, a question to the Minister of Health. I have a letter on my desk from a constituent today who went to an opted-out doctor, paid the bill and he still hasn't got his cheque from the Corporation. It's two months. I'm wondering if there is a problem in getting these cheques back to the . . .

MR. GREEN: Mr. Speaker, if the doctor was opted out then the cheque may very well be -- and I don't warrant this -- but it may very well be in the hands of his patient. The opted-out doctor has chosen voluntarily -- (Interjection) -- The patient has not got the cheque yet? Well, Mr. Speaker, then my answer is as it was to the honourable member who asked the question the other day, that we know that there is some lag between the date of service and the date of the cheque. It's an internal matter, we accept responsibility for it, we are doing what we can to clear it up.

#### ORDERS OF THE DAY - GOVERNMENT BILLS

MR. SPEAKER: The adjourned debates on second reading. The proposed motion of the Honourable the First Minister. The Honourable Member for Ste. Rose.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, the Honourable Member for Ste. Rose wants to speak on this Bill but he's out of the House at the moment. Perhaps we can proceed with the next bill and come back to it. Unless anybody else wishes to speak - may do.

MR. SPEAKER: Does the honourable member have leave? A request has been made, if I understand it correctly, to return to this Bill at a later time when the honourable member returns.

MR. CHERNIACK: I am certain we would have no objection if it is in order. I believe it would have to have unanimous consent to by-pass something on the Order Paper; but we're agreeable to that.

MR. WEIR: Mr. Speaker, we would have no objection, although I would think that we wouldn't want it to interfere with Committee of Supply when we reach it. I would hope it would happen before we finish the Order Paper and get into Committee of Supply where we would likely remain all day.

MR. CHERNIACK: I would agree with that, Mr. Speaker.

MR. FROESE: Agreed.

MR. SPEAKER: The proposed motion of the Honourable Minister of Mines and Natural Resources. The Honourable Minister of Mines and Natural Resources.

MR. EVANS: Mr. Speaker, I believe at this point I am closing debate on the second reading of the Fisheries Act, Bill No. 10. I made a lengthy statement and a detailed statement on the presentation of this bill for first reading and therefore I do not intend to say too much at this time. I would say, however, that I do appreciate the remarks that were made by the former Minister of Mines and Natural Resources and also the remarks that were made by the Honourable Member from Riel with respect to the amount of work that has gone into the

(MR. EVANS cont'd) . . . . preparation of this legislation. Indeed anyone who looks over the file can appreciate that fact, that there has been a lot of work, much correspondence, much negotiation has gone into this and I again give credit to the Province of Manitoba for taking the lead in instituting this type of legislation. Incidentally, my understanding is that the other provinces that are involved with the Federal Government, namely Ontario, Alberta, Saskatchewan and the Northwest Territories have already either passed legislation or have passed the necessary Orders-in-Council in order to co-operate with the Federal Government. The irony of it is while Manitoba took the lead in stimulating this type of legislation, we are the last apparently to come into it -- or to bring in the necessary supporting legislation at the provincial level.

I also share the concern with the former Minister with regard to the amount of representation that Manitoba has on the Federal Board. We have only one member out of ten and indeed I will endeavour to look into this and see if it is possible to increase our representation. I also share his concern with the fact that there are five Federal civil servants now members of the Board and it would seem that this may be a rather excessive amount. The former Minister of Mines and Resources was aware of this, of course, is more familiar with the background of it than I am. But I do share his concern with the make-up of the Board and I for one will endeavour to see that Manitoba has much stronger representation.

I also share his concern that there should be producer representation, particularly the Fishermen's Federation I think should be somehow or other represented on the Board, or at least if not from one province - perhaps we can't get Fishermen's Federation representatives from every province - I would hope that we could get at least representation from one or two provinces. And I do endeavour to look into this.

Mention was made of the problems of implementation. Indeed I am appreciating the fact that there are many, many problems in implementation of this particular legislation. It seems that you can't make any considerable change in an industry the way it's been operating without running into problems. And again I appreciate his offer for advice and I hope I may be able to take him up on this in the not too distant future.

The former House Leader of the Liberal Party, the Honourable Member from Ste. Rose, made a number of supporting statements which I appreciate. He said that he was going to pledge himself or he would pledge himself to taking a close look at the operation of the Marketing Board, he thought the idea was good. I can assure him that we on this side of the House will take a close look at the future operation of the Marketing Board. We are very concerned that the intent of the legislation is fulfilled, and that is that the income of the fishermen of Manitoba is increased in the process.

The Honourable Member from Rhineland raised many many detailed questions and I really think that many of these questions would be perhaps in order at the committee stage where we may discuss this in more detail. He has many legitimate concerns which we share also. He's asked a number of specific questions which I could answer at this time. I'm quite prepared to do so, however -- or I'm prepared to discuss them with him in detail privately if he so wishes, or I am prepared to discuss this with the committee when it goes into committee stage. Such as the number of people that may be unemployed perhaps by the implementation of this legislation or through the actions of the Federal Board, Freshwater Fish Marketing Board. And a number of other questions with regard to the operation of the credit mechanisms; questions with regard to what happens to fish when they happen to be seized under legislation because of illegal operations of a particular person. Just to answer this last question, I'd say the procedure usually is that this fish is immediately put into cold storage so that no deterioration takes place. With the Honourable Member from Rhineland's indulgence I would like to be able to discuss the detail problems at the committee stage. I might make a couple of general comments though, which will answer some of his questions at this time.

The cost that will be involved in buying up the fishing plant which is declared redundant by the corporation. At the present time we have no idea what this cost will be; it will partly depend upon the type of operation that the Federal Corporation decides is most efficient. But I can assure the honourable member that this department will be consulting very closely with the Federal Board in this respect.

The whole purpose of the joint Federal-Provincial Crown Corporation is to increase the fishermen's income, that is the essential purpose of it. I'm told that an official of the Manitoba Federation of Fishermen recently toured the fishing industry in northern Manitoba and returned with word that most fishermen are -- I say most fishermen, I don't think everybody's happy -- but most fishermen are very pleased with the prices they are now receiving

(MR. EVANS cont'd) . . . . from the corporation. I might add that I, during my tour of Southern Indian Lake some weeks back, I did discuss among other things the matter of the operation of the Federal Board and the question of the type of prices that were being paid to the fishermen in that area, mostly native fishermen, and they seemed to be quite happy with the prices they were getting and the way the Board was operating.

The question was asked about the Corporation's advisory board set up under the Federal Act. I might say that the chairman of this board, who was appointed by the previous government, is Dr. Sol Sinclair of the University of Manitoba. The board will have up to ten other members. This is the advisory board. At least a third of these will be fishermen. The board will act as a medium for the exchange of information over the years about the corporation's operation. There will be a board to oversee -- this advisory board -- to oversee the functioning of this corporation, and indeed to receive complaints that arise, and deal with any matters pertaining to the corporation's operation.

The question was asked also with regard to the lending agency. I'll reiterate what I said at the first reading stage in my lengthy statement, that is that the Manitoba Agricultural Credit Corporation will be acting as the lending agency under Part 3 of the Act. So that in effect, you don't need any more civil servants, you don't need to add to the public service, you know, in order to fulfil this obligation.

Just one other point, and I know I'm not answering all his questions, that he'll understand that we can go into this in more detail during the committee stage; that with the exception of one or two low grades of some species of fish, that the corporation at the present time is having no difficulty in selling the fish. I understand that the corporation wishes to improve its sales by better merchandising and better marketing procedures and is currently working on developing such procedures.

I would also remind the honourable member, and perhaps other members in the House, that the bulk of the fish is sold on the export market. A very large percentage is sold abroad, and this of course is a great source of revenue to Canada as well as to Manitoba. But herein lies some of the difficulty as I understand it in my brief period in office, and that is -- and I'm going back to the very fundamental principle that the honourable member raised about the merits of competition in the industry. The fact is you had a competitive situation in Manitoba, but the competition was detrimental to the interests of the fishermen, to the interests of the people of Manitoba. The importers, the American importers had the edge on us so to speak, there were only three or four large American buyers; and to use a cliché perhaps, had the fishermen and the distributors in Manitoba "over a barrel" most of the time. Because here you had a large number of fishermen, a large number of selling agencies in Manitoba with a very small number of buyers in United States, and they were in a position to dictate terms to us. What we've done, what we hope to do through this legislation and what the Federal Government is doing in co-operation with us and the other provinces, is to put us in a stronger bargaining position; and indeed it seems that the corporation -- which incidentally has been acting since May 1st, and it's been allowed to act because of an Order-in-Council passed by the previous government -- because I understand that during its brief period of operation that the prices that have been received by the corporation are good, and I think part of this is due to the improved marketing position. So in all due respect to the honourable member's dislike of marketing boards and the compulsory features of it -- and there are lots of problems involved with compulsion, I will admit, you simply don't institute a board and eliminate all problems; you don't do that. But I do think that in the long run that some of these bugs will be removed and in the long run the income of the fishermen of Manitoba, and therefore the income of the Province of Manitoba, will be increased.

He did ask for a document on agreement between the Government of Canada and the Government of Manitoba respecting the Freshwater Fish Marketing Act and I'm pleased at this time to make those available to him and other members of the House who may wish to look at this. But I can assure you, I think, that there's general unanimity in the House that by and large this fishing legislation is going to be good for the Province of Manitoba. Thank you.

MR. SPEAKER: Are you ready for the . . .

MR. FROESE: Mr. Speaker, could I have one question of the Honourable Minister? Could he give me the date and the number of the Order-in-Council that was passed by the previous government?

MR. EVANS: Unfortunately the date is not marked on here. Perhaps it should be but I can obtain it for him.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. SPEAKER: The proposed motion of the Honourable Minister of Consumer and Corporate Affairs. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my honourable friends, the Minister of Finance and the Minister of Consumer and Corporate Affairs will be relieved to learn that I'm not going to ask their leave or their indulgence to have this proposed legislation stood another time. I'm prepared to make the remarks that I would like to make on the legislation at this point in the session, and I wish to thank them for their indulgence and their patience in permitting me the time, Sir, that they gave me in order to acquaint myself with the bill. I don't feel that I have to apologize for the delay, but I want to acknowledge the delay, and I want to acknowledge the patience and the indulgence of the two Honourable Ministers who granted me the time that I felt was necessary, Sir, to acquaint myself with what is certainly a critical and crucial piece of legislation, and to my layman's eyes is an extremely complicated one and one which requires a great deal of attention, conscientious attention and study if one is to comprehend it in its full import.

It might be worth pointing out at this stage or reminding ourselves at this stage, that studies on consumer problems in this province started several years ago, at least four years ago, and they included some fifteen hearings between provincial officials and consumer and corporate representatives and interested parties ranging across a pretty broad spectrum of our community, Sir, and with that sort of history available for one to delve into it's understandable I submit - and I know the two Honourable Ministers concur in the feeling because of the time they permitted me - it's understandable in those circumstances that it takes one a good deal of time to acquaint himself properly with all that's involved here.

It's not my intention to delay action on this legislation or to speak at any length this afternoon. There are two or three things I would like to say though, and I would like to place myself on record at the outset, Mr. Speaker, as being fully in favour of the legislation, heartily in agreement with the philosophy and the principle of the legislation, the philosophy behind it; but with all the expertise that's been brought to the problem, both federally and provincially and in the United States in recent years as well as in Canada and in Great Britain, and with all the complicated and in some cases convoluted and learned treatises on the subject, I think I have some distance to go yet, Sir, in acquainting myself with all the aspects of it that interest me, and understanding it to the extent that I would like to understand it, so I intend to pursue these studies in Law Amendments Committee. But on the basis of the study which I've been able to bring to it in the last few days, and on the basis of this bill, Bill 12 as it appears on the floor of the Chamber at the present time, I say without equivocation that I endorse the philosophy incorporated therein and subscribe to the principle of the bill, although there are some improvements that I think should be considered.

I know that in the original examination and at the original stage of proposition and consideration this legislation, or the forerunner of this legislation, the predecessor of this legislation which the former administration developed in draft form, created some misgivings in certain sectors of the business community, because of the fear that the type of conditions and the type of regulations and the type of authority being prescribed in this legislation, might have an adverse effect on the free practice of business, on the free practice of the entrepreneurial exercise, and a good many objections, or at least a good many questions were raised involving members of the last Legislature and involving members of the committees studying the legislation and preparing the draft form of the legislation to which I've already made reference. I know the Minister in the former administration responsible for the draft legislation at that stage as far as it got, spent considerable time with representatives of and spokesmen for different sectors of the business community, different parts of our economy, acquainting them with and satisfying them on the measures proposed for providing consumer credit, and I think allaying their fears as to the possible strictures that might be imposed on the free practice of free enterprise business in legislation of this sort.

I think most of the fears have been allayed. I think that it can be safely said that ethical business never had anything to fear from legislation of this sort, and no ethical businessman ever had anything to fear; but at the same time one is conditioned by one's environment and one's immediate preoccupation, preoccupation in terms of making a livelihood, and I think all of us can understand that the ethical businessman was not being unreasonable in his position insofar as his questioning of various aspects of the proposed legislation or concern insofar as

(MR. SHERMAN cont'd) . . . he had a really legitimate desire to understand what was involved here and what the ramifications might be for him. But most of the fears and most of the questions and most of the doubts I know have been allayed, and I reiterate that ethical business and the ethical businessmen have nothing to fear from this legislation. The only people who have something to fear are the unscrupulous operators, and so they should. By any definition of the democratic ideal the unscrupulous operator should have something to fear from the laws of our land. The shady dealer, the unconscionable operator must be controlled, must be policed, must be restricted and must be prevented from taking advantage of the public, from exploiting the consumer and from thereby injuring our economy and our society as a whole; and insofar as this legislation is aimed at shackling the unscrupulous operator, at making it impossible or almost impossible for him to practice his questionable business, to follow his questionable pursuits and to take advantage of the consumer insofar, Sir, as I say, as the proposed legislation provides that protection, then it is legislation that's long overdue, that's highly desirable and it will have the unstinting support of myself and I'm sure the majority of members on this side of the Chamber.

As I've said, the basic intent of the legislation and the philosophy contained therein is desirable, the goal is necessary. It's not only a goal that strives for the protection of the consumer, the unwitting as well as the witting consumer, but it's also a goal that aims at the protection of the ethical businessman; because if the ethical businessman is not protected, if good business is not protected from the kinds of exploitation, the kinds of immorality practiced by the unethical operator, then all business suffers. The good businessman, the ethical and legitimate businessman suffers as much as the consumer does if immoral practices are allowed to flourish. At the same time, it offers protection, long overdue, long necessary, I think, Mr. Speaker, for stores against credit abuses, against the so-called credit drunk who is unable to cope with the credit facilities and freedoms made available to him today in our credit-oriented society.

So on all these grounds I wish to add my endorsement to the legislation, but at the same time I wish to pose the question that I've already raised in an earlier debate in this House - and that was a debate having to do with a change in the Annual Vacations with Pay regulations applying in the province - at the same time I would just like to resound that warning, Sir, against unnecessary intrusions against free enterprise and I would hope that when we reach the point where we're going through the bill on a clause by clause basis in Law Amendments that all of us will address ourselves to that question of freedom and to the preservation of as much freedom and as much scope for legitimate operation as can possibly and reasonably and democratically be permitted. If there are strictures in legislation of this type that make it more difficult than it already is for the free enterprisers, a legitimate free enterpriser, to achieve his livelihood and to keep his business solvent then it's bad legislation.

I can't answer the question at this moment, Mr. Speaker, as to whether such strictures exist, because as I've said it's an extremely complicated piece of legislation and I need more time. But on the basis of the examination I've been able to give it I don't see, except in perhaps one or two instances which I intend to examine with colleagues on all sides of the House in Law Amendments, excepting one or two instances I don't see that there are encroachments here on the concept of legitimate free enterprise and I would hope that our final, total and conclusive examination of the legislation will prove that to be the case. If it doesn't prove it to be the case then I for one shall be active in attempting to effect the changes that I think are necessary to permit free enterprise to remain free while at all times remaining legitimate.

There's a great deal of background information that one can find available to himself or herself in any library in any archives on consumer protection and the whole field of consumer credit. I've had access to some of it. I think in most cases most of the studies and most of the reports in the field of consumer protection that one reads are agreed on the necessity for some form of protection today for the individual in the marketplace because of the extent to which credit buying and credit living has become the motive and method of life and existence particularly on the North American continent.

I would quote, Mr. Speaker, from the report of the Special Committee of the Manitoba Legislature on Consumer Credit of 1966, as one example. That report itself quotes from the Interim Report of the Ontario Select Committee on Consumer Credit and has the following to say: "The widespread use of credit has produced concomitantly manifold difficulties and problems. Thus the worthy injunctions of caveat emptor and the buyer needs 100 eyes are of small avail against the complexities which now confront the average individual in the world of

(MR. SHERMAN cont'd) . . . . commerce and consumer credit. At the same time perhaps the old injunction of caveat emptor requires some modern updating, because the injunction of course was to "let the buyer beware" and we have reached the point today in our social and economic legislation where what we are saying in effect is help the buyer beware, not let the buyer beware but help the buyer beware, and in effect the corollary of that is we are saying "let the vendor beware, let the seller beware." I don't disagree with that corollary, I don't disagree with that concept. I'm glad to see my honourable friend the Minister of Health and Social Services is of the same point of view. But I merely cite the example to underline the differences in attitude that have taken place in the last half century in the North American economy as a consequence of the growth of consumer credit and the growth of the consumer-oriented concept of society. So that now we legislate to help the buyer beware and by so doing we are instructing the vendor and the seller to beware; and when we move into that field we would do well I submit to remind ourselves that the seller and the vendor has to make a living too and has a legitimate case to make for himself too -- and it's only the legitimate ones I'm referring to in this connection. The responsibility particularly in this field is a two-way street and we have a certain responsibility to permit the legitimate vendor and seller as much scope of operation and freedom of operation as is democratically and humanly possible.

Mr. Speaker, one of the treatises on consumer credit which intrigued me very much which I read in recent days was an article by William Neilson in the June, 1968, Edition of the Canadian Forum entitled, "Protecting the Consumer." Mr. Neilson made specific reference in his article to the work that was done in this province, in Manitoba, in terms of researching the whole concept of consumer protection and in laying the groundwork for the legislation that's now before us. There are a great many things that Mr. Neilson says with which I don't agree. I think that philosophically one can find - at least one who thinks the way I think - can find some pretty provocative and argumentative concepts postulated by Mr. Neilson in his article. One thing, for example, with which I don't agree, Mr. Speaker, is his offhanded dismissal of the scope of the investigation into consumer protection and the need for same that was gone into here in Manitoba. He makes the definitive point that the consumer was barely consulted in examining the need for consumer protection legislation and laying the groundwork for this legislation in Manitoba, and I submit, Mr. Speaker, that that's patently not true. The consumer was very closely and carefully consulted and was represented articulately on many of these committees to which the Minister has made reference and to which I referred a few moments ago.

However, however, I think that Mr. Neilson does have a case for one or two of the things that he has to say when he talks about the need for consumer advocacy in the legislative process. He says, for example, that consumer problems are not simple and uncomplicated in either origin or treatment. It's not enough to raise one's eyes disdainfully and come out with the Messiah of consumer education as the wherewithal to skirt the paltry number of sharp practices, and he says that unless there's continuing representation and continuing advocacy for the consumer by the consumer that all efforts in the field of consumer protection will come to very ineffective fruition, come to a very ineffective result, because the idea of substituting legislative representation or official governmental representation for the consumer is really a smoke screen and a red herring. It's really the consumer who knows best himself or herself what his problems as an integral part of our economy are, and unless he is represented in person or only one stage removed at the extreme, unless he is represented and his position is articulated from his or hers, the consumer's point of view, then you bog down in a kind of nice patronizing legalistic governmental kind of bureaucratic language that looks as though it's sounding the alarm, that looks as though it's maintaining a watchdog position for the consumer, but really is a welter of words, really doesn't cut to the bone of the consumer problem. I subscribe to Mr. Neilson's argument in that area. I think that wherever and whenever consumer advocacy - if I may borrow his term - consumer advocacy can be strengthened in our consumer protection legislation then it's devoutly to be desired that such be done so.

Mr. Speaker, in my humble opinion the two basic things wrong with the legislation as it stands at the moment, the two basic things wrong with it are: (1) its length and the kind of convoluted arguments that it gets into, what I call its "legalese", and (2) the fact that there is no provision that I can find for detailing the manner in which the costs of the administration of this legislation is going to be carried out.

Let me deal with Point (1) for a moment. That is the length and the legalese and the

(MR. SHERMAN cont'd.) . . . . involvement of the legislation itself. I think that basically consumer protection legislation should be designed to do what its title says it will do and that is protect the consumer and I don't think that anybody in this Chamber would argue with the position. In most cases the person we're concerned with is the average consumer or perhaps even in some cases now, at some levels of society anyway, the majority consumer, the person who gets himself overloaded, gets himself either into a situation where he's bought something that he doesn't really want or else gets himself overloaded financially to the point where his credit rights are extended beyond the point of safety. So that individual, that citizen, and he is legion in our society today, and I doubt that there are very many of us in this Chamber who are very far removed from that position, then wonders to himself where do I go for help? How do I get help? How am I going to be extricated from this kind of a position. He remembers that he's read in the paper that the Minister for Consumer and Corporate Affairs and the Minister of Finance have introduced a bill called The Consumer Protection Act and so all his problems are taken care of. Well I submit, Mr. Speaker, that if I place myself in the position of the average citizen, which I hope I am, I don't come very quickly to the conclusion as I plough my way through this very complicated piece of legislation to the conclusion that all my troubles are taken care of. In fact, I wonder really where this average citizen I'm talking about who's got a grievance, where he turns for the kind of relief from these credit abuses we're talking about is obtainable.

I'm sure that the Minister will say to me that he turns to the Consumer Protection Bureau or what was called in the proposed legislation, the draft legislation introduced by the previous administration, the Consumer Protection Bureau, and what is now referred to in this legislation simply as the Consumer Bureau. The Minister will say to me well he turns in that direction, he goes to the Consumer Bureau. But I wonder whether or not there are not some major omissions in the legislation where the description of the Consumer Bureau itself is concerned and where its function is concerned. I wonder for example whether the Minister has in mind to have consumer representation on that Consumer Bureau. I presume he does but the legislation as printed in front of me doesn't tell me that there will be consumer legislation on it. I wonder how big that bureau staff will be. I wonder who will be on it. I wonder whether the bureau will be so big and so overladen with bureaucrats that it might not intimidate the average citizen, the average consumer who feels that he's -- well I won't say the average consumer, but let me say, Sir, the average grievant, the average citizen with a credit grievance. I think that in the main when one has a credit grievance it tends to be an embarrassing situation anyway. If we're in a position where we've got a credit grievance we either got into that position ourselves by not being very clever about the contract we were discussing or else we with all the intelligence and best intentions in the world we were duped and outwitted by somebody else. I don't think it's very easy to admit that you're in trouble regardless of which reason it was, both ones are embarrassing. So the man or woman with the credit grievance coming for help is in a unique kind of a position anyway where he's really looking for a father confessor; he's really looking for somebody who will be very kindly and very charitable as well as being strict and as well as being clinical about the problem but somebody who will bring some understanding to his situation and some compassion to it.

I can see the danger that would exist, Sir, if there were a great heavy bureaucratic chunk of machinery set up call the Consumers' Bureau or the Consumer Protection Bureau with a number of demigods sitting there and they're going to rule on the intelligence really of this poor citizen who's got a problem, who's coming to them and I think it is a very important question when I ask who is going to be on this bureau and will the individual like me, if I'm in trouble, be intimidated by these demigods of the government service who are going to sit there and deal with my case. I think the question can also be raised, Mr. Speaker, as to whether or not the Bureau itself might be redundant. I'm interested in the ombudsman legislation as well as the consumer protection legislation. I would assume there'll be no overlap or no redundancy of responsibility but I pose the question at this stage and I look forward to the answers of the two Honourable Ministers concerned.

So this is problem number one: how does the little man understand the legislation, -- that's me -- how do I understand the legislation and what's my recourse if I do understand it and what kind of a reception am I going to get at the Consumers' Bureau when I go there and who is going to be on the Bureau. And a corollary problem to that is the problem, the danger of proliferation of democ . . . of bureaucracy - not the proliferation of democracy, that's a



(MR. SHERMAN cont'd.) . . . . good thing - but the proliferation of bureaucracy and for lack of a better term, the danger of empire building.

I think that there is some valid criticism of the program that my good friend the Federal Minister of Consumer and Corporate Affairs has undertaken from his office in Ottawa. I think that his objectives once again are laudable and desirable. But, Sir, I'm not telling you anything that you don't know when I say that there has been fairly extensive criticism across the country of the size of the machinery that the Federal Minister of Consumer and Corporate Affairs has structured to serve the ends, albeit legitimate and desirable ends, of his office and his department. The question has been raised as to the way he made all these processors of the problems of consumer activities in centres all across the country, growing upon themselves, dividing amoebal like every year, proliferating like ants. I think there is a case to be made for this question as to whether or not the consumers' bureau as it's conceived and proposed in the legislation is not open to this kind of abuse and this kind of danger. The wording of the legislation is so loose as to leave it wide open, Sir. It's so loose to leave it wide open. As far as I can determine from my study of the legislation you could have one person on that consumers' bureau or you could have 15. I hope I'm not being unfair in saying that but this is my interpretation of the legislation; maybe I have misunderstood it. So that's red light No. 1 that I feel reveals an oversight in the legislation and should be dealt with - should be corrected.

And red light No. 2 - oversight No. 2 as I cited 10 or 15 minutes ago, Mr. Speaker, is the fact the Act omits mention of the manner in which the government is going to provide for the costs of its administration. If you care to look at the draft legislation that was being studied by the previous administration, Mr. Speaker, you will see that it was stated therein that the costs of administration of the proposed act would be provided out of the Consolidated Fund. I'm not suggesting that that's where the money should come from but the fact is there was a clause in the act that said this is how the administration of the Act is going to be financed. Once again unless I'm -- (Interjection) -- this is the "draft" legislation I'm referring to that was being examined by the previous administration. Now once again - I see the Minister of Finance shaking his head but I think if he checks the draft legislation that was being studied several months ago by the previous administration he will see that there was a clause in it which provided for - the Minister of Consumer and Corporate Affairs is nodding in agreement - which provided for the financing of the administration of the Act, and it said that the funds will be made available out of the Consolidated Fund. -- (Interjection) -- What I'm saying is that I can't see, unless I've missed the page or the clause completely, that there's any such provision in this legislation. So I raise that question; how are the administration of the Act going to be paid for, and how much is it going to cost, and in general what kind of budgetary considerations are we faced with here?

Basically, Sir, those are the things I want to say. I've had, as I'm sure the two Honourable Ministers have had and as many other members of this Chamber have had, some approaches and entreaties from individual sectors of the economy. The most recent one is from the Manitoba Motor Dealers Association - I'm not sure whether the Honourable Ministers are familiar with it or not - but in their submission the members of the Manitoba Motor Dealers Association take strong exception in particular to Clause 49, sub-clause (1) of the bill which appears on Page 32 of the bill; Clause 49, sub-clause (1), yes - "leave required for seizure," which says and I quote, Mr. Speaker: "That where a seller on a time sale would be but for this section entitled to repossess any goods and the balance owing by the buyer on those goods at that time is less than 25 percent of the cash price of the goods at the time of the sale thereof, the seller may not repossess the goods without the leave of the court." Well, the members of this Association - the Manitoba Motor Dealers Association - feel that that's unfair and discriminatory. They point out their interpretation of the legislation is that after 75 percent of the contract is paid the buyer may stop payments and the seller may not repossess without a court order. They take strong exception to what they feel is discriminatory proposed legislation, and that the government through this legislation really is encouraging consumers to default on payment.

They also take strong exception to Clause 53, sub-clause (1) on Page 35 on the question of the right to sue after seizure, and that particular clause which is headed "no right to sue after seizure" apparently intends, Sir, that the vendor - in this case the automobile dealer - has no right to sue the customer if he has repossessed the automobile and seized it

(MR. SHERMAN cont'd.) . . . . on him. But the members of this Association point out that in any case there might have been some abuses committed upon that automobile - on that vehicle - and deliberate fraud thereby committed against the seller. They feel that the legislation leaves much to be desired, and that even if the seller or the vendor has seized the automobile and repossessed it he still should have the right to sue if there was damage inflicted wilfully on that vehicle.

So these are some of the individual grievances that are not being raised exclusively with me, Mr. Speaker, but I'm sure, as I say, with the Honourable Ministers and all members of the Chamber, and I just wish to place them on record in our examination of the legislation at this point.

The four day cool-off provision of the legislation I think is very progressive. I think it's very progressive, much more so than much legislation in this field in other jurisdictions, in other countries. I'm at a loss though - and once again it's my own comprehension or ability, my own comprehensive abilities that probably are at fault - but I'm at a loss to determine whether or not that four day cool-off applies to, for example, automobile dealers. I presume it doesn't under Part VII of the bill, Clause 60, sub-clause (10). The way I read it, the four day cool-off does not apply to automobile dealers, but then, Sir, I ask if the - and I'll hold no brief for the automobile dealers but I raised the question because they've raised it with me - if the automobile dealers are excepted, then why are they not excepted on Page 3 of the legislation under the section dealing with retail sales where there is specific exception of contract of sales of an implement to which the Farm Implement Act applies, but no specific exception such as in the section I mentioned earlier having to do with sales of a vehicle or trailer within the meaning of the Highway Traffic Act. In other words, automobiles and everything that comes into that category, why the exception in one part of the Act and no exception in another part of the Act. I don't understand what appears to me to be an inconsistency there, Sir.

But those are minor points which can be threshed out in Law Amendments and do not deter or detract one iota, Mr. Speaker, from the aim and the goal of the legislation, from the effort that has been put into it by previous administrations and previous legislators, members of this House in past years. Nor does it detract in any way from the effort put into the formulation of this legislation by private citizens who participated in the studies that have gone on for the last half decade in this province with this kind of progressive legislation in view. And having put the points which at this stage occur to me, put the arguments and the objections and the inconsistencies which at this stage occur to me on the record, I reiterate my gratitude, Sir, for the patience of the two Honourable Ministers and I reiterate my wholehearted endorsement of the philosophy and the principle of the legislation.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, on a point of order, I didn't want to interrupt the honourable member and I hope he accepts my suggestion in the same way that I'm offering it to him, and that is that I believe it is within the rules of the House that in discussions on second reading a member deals with principle and does not deal with specific sections that are in the Act. I didn't want to interrupt him because I know the honourable member is accustomed to rules in another House with which I am not at all familiar, but I hope he accepts my information that that is my understanding of the rules here.

MR. JOHNSTON (Portage la Prairie): Is the Minister going to close the debate? Well I beg to move, seconded by the Honourable Member for Assiniboia, that the debate be adjourned.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: The Proposed Motion of the Honourable the Minister of Finance.  
The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, first of all I'd like to thank honourable members for allowing me to stand the bill on a previous occasion. As you know, I have difficulty in getting to read all the various bills at a particular time when we're getting many of them on the Order Paper, and if they're substantial bills as this one is.

I rise to support the bill in general. However, there is certain points I feel that need clarification and also to which I take exception. I haven't been able to follow up on the mover's comments when introducing the bill, however, I intend to do that before we get to the committee stage. However, in perusing the bill I find that there are matters in it that I

(MR. FROESE cont'd.) . . . . feel that could be improved on, and certainly when we get to committee stage I propose to make and advance certain amendments. I feel that under Section 61 - and here I would like to state that I do not necessarily want to refer to certain sections - but under this section I would like to see that credit unions may be allowed to be depositories. I note that under another section this will be possible, but in that other particular section it says only where banks are not accessible - readily accessible, and I feel that credit unions should not necessarily take second place just because banks are not accessible. I feel that credit unions should be used as depositories just like banks and should not have to take second place.

I am also very interested in the sections or the part of the bill that deals with the matter of investments. I realize that certain investments can be made by the Finance Minister or the Treasurer and others are referred to the Lieutenant-Governor-in-Council, and I have no particular objection to that. Certainly I feel that we should be using countries other than those that use the dollar, and if I understand correctly, the bill, the way it is set up, the Minister of Finance can make investments in countries that use the dollar. If I'm not correct in this I would like the Honourable Minister to correct me on it later on if that is the case.

I also note that in case of investments that municipalities are included but not towns and villages, and am I to understand in this interpretation that towns and villages are included under municipalities? Is that the case? Certainly if it is not the case then I think we should have an amendment in the part of the bill pertaining to investments.

I also note that there is no rate as far as depreciation is concerned. Here again I imagine this is wide open and can be determined by the Minister if he so wishes. I don't necessarily want to quarrel with that, but certainly it would be interesting to know just what has been the practice in the past and whether any change is contemplated.

There is a matter dealing with the transfer of excess revenue. This is also interesting and I think I will dwell and deal with that more specific when we get to the Committee stage as well.

There is a definition of principal monies referred to in Section 22. The definition is made not in front of the bill or the first page of the bill where you have definitions, it comes way on later on in the bill and I would like to know the reason for this. Why do we go into definitions at a later stage? -- (Interjection) -- It's just for that section. Well, is there no reference in connection with principal monies in any other area of the bill or any other place? This is something I was wondering about. I hadn't checked the previous until I got up to that point, and therefore I didn't have the time available to me to check into this more thoroughly.

There is one matter that I would like to dwell on more emphatically and that is the matter of the reserve, the credit to the reserve that is being made for debt retirement. Under the Act this will be three percent. I feel that the three percent is much too low. I feel we should be retiring our debt at a much faster rate than the three percent spelled out. I think this, in my opinion, sets a poor example for the people of the province and in general. I feel we should try and take care of our debt and retire it in a much faster way, because look at what is happening today. Let's take Hydro. We know that we're spending large amounts on Hydro today, and we were also told on our trip at Churchill that already the government will have to make a decision within a year or so as to other projects and future development, and that we will have continuous expenditures of this type in the future and that more monies will be needed. Therefore, I feel that we should be retiring our debt at a fast rate so that we would not soon find ourselves in a situation where the annual payments that we will be making will be so high that we will not be able to do any further development, and it seems to me that there is a certain reluctance on the part of the government, I think already . . . on the part of the people of this province, to have equity in our development. We want development but we do not want to have equity, and I feel that this thing should be corrected. The same thing for housing. I think we should make it possible, not only possible I think it should be made attractive for people to own their own homes and not dwell in, live in apartments; that they should be willing to settle down in a community, to root themselves in that community, because I'm sure this would have a very good effect on the province as a whole. We find that this is the case in other provinces, and I think I've already referred to this on previous occasions where certain benefits are realized by people in other provinces as a result of government action. And I feel that we in this province should try and clean up our

(MR. FROESE cont'd.) . . . . provincial debt as fast as possible. Certainly I would think that it should be 10 percent, but even if it was cut in half, it was raised to five, it would be a help to start with.

Then also as to the monies of these reserves. How are they applied? How, when, and to what accounts are they applied in the debt retirement program in a given year? It seems to me no specific debt is paid for, because when we take a look at the public accounts book - I am not sure of the last year but on previous years, - there still was a debt from way back in the thirties when monies were borrowed to give relief to the people of this province, and this had been carrying on for years and years and was still on the books of this province. The way I understand it now is that when securities become due they have to be paid for, we re-borrow, make new loans or additional loans, in order to pay off loans that are coming due. If the Minister can clarify this situation and whether my interpretation of this is correct, I'd certainly be happy to hear from him.

I note that the Act provides that the Minister can instruct the Auditor to investigate certain matters and I think this is very good indeed. I feel that if we do have an Auditor, and we will under a new bill, that this should be there. I fully endorse it. So that, Mr. Speaker, I will have further comments when we get to the committee stage but, other than that, I approve of the bill with the certain reservations that I've been indicating.

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I'll be closing debate if I speak at this time, Mr. Speaker. May I express my appreciation to those members that have participated in the debate on this bill, and may I specifically answer the Honourable Member for Rhineland by thanking him for the suggestions and comments he has made. I will draw to the attention of my Department - that is, Hansard - so that they will be able to review what he said and hopefully be able to give him the answers to certain of the points that he made. I might indicate to him that I have some 27 pages of notes on various sections of the Act and how they are derived from sections of the three Acts which are being repealed, with all the amendments, and it would be I think an imposition on the House for me to deal with them in that kind of detail. But certainly we can do that in committee.

Now, Mr. Speaker, I made the statement when I introduced the bill, that this Act was identical with the Act which was presented at the last Session by the former government but not passed, and the Honourable the Leader of the Official Opposition pointed out that this statement was not accurate, and for that I apologize to him and to members of the House. I have checked with officials of the Department of Finance and I find that the statement I made was not accurate, that there have in fact been a number of minor changes made for purposes of correction or clarification. I might indicate that the lawyer who acts for the fiscal agents of this province, and who is in Toronto, reviewed the Draft Act prepared by the former administration and made some comments of certain changes in wording which he thought would more completely satisfy the requirements of investment lawyers, and certain other changes were suggested by the Legislative Counsel merely for clarification purposes.

Now, I may finally address myself to the attention of the Honourable the Leader of the Official Opposition to indicate to him that I have a five-page memorandum spelling out the exact changes between the Act presented by his administration and this Act, and I am quite prepared to read them into the record. But he is shaking his head indicating, as he did when he spoke, that he felt it was not essential to do so but that it could be done in committee as we review the sections in that way, so that I might indicate to him my appreciation and that, I'm sure, of all other members of the House, that he does not require me to specify what they are at this stage but can do so at committee stage. So that, Mr. Speaker, I trust we can now proceed with the vote on this Bill and send it on to the committee.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. CHERNIACK: Mr. Speaker, we were in the position where the House had given unanimous consent to delaying the debate on Bill No. 25 and, after speaking to the Clerk, I confirmed that I was correct in stating that only by unanimous consent could we stop debate after the Bill had been called. We have now reached the end of the portion of the Order Paper dealing with adjourned debates, and since the Honourable Member for Ste. Rose is not here, I would assume that the House would be prepared to let the matter stand in his name unless someone else wishes to speak on the bill. I'm wondering if you, Mr. Speaker, would care to indicate, or to have members indicate whether or not they wish to speak on this bill. If not,

(MR. CHERNIACK cont'd.) . . . . . then I would suggest . . .

MR. SPEAKER: Is it agreed that Bill No. 25 stand in the name of the Honourable Member for Ste. Rose?

MR. CHERNIACK: Agreed? (Agreed.) Then, Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Transportation, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House resolved itself into a Committee of Supply with the Honourable Member for Elmwood in the Chair.

. . . . . continued on next page

COMMITTEE OF SUPPLY

MR. CHAIRMAN: We're dealing with the Department of Transportation on Page 26, Resolution 98, 1 (a) -- The Honourable Member for Roblin -- (Interjection) -- Oh, you defer it to the Honourable Member for Birtle-Russell.

CORRECTION

MR. HARRY E. GRAHAM (Birtle-Russell): If I may correct Hansard of yesterday on page 412. In the fifth line of the second paragraph the word was "surfacing" not "servicing". It has a big bearing on. . . .

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MR. CHAIRMAN: Resolution 98. The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Chairman, I thank you for the attention and I would like to congratulate the Minister on his portfolio and assure him that my constituents and myself, we're all for him in his program for the north and wish him well in his efforts. I would like briefly to draw to his attention that there is a sort of a mid-northern constituency that has quite a number of problems, and if I could have the moments of the House I'd like to just draw to him some of those things that are of concern in Roblin constituency.

I know he has already mentioned to the House that it's futile for us to be discussing these estimates as they were made up by the former government last March, but I am concerned that he apparently hasn't clarified his position in the portfolio and where we are going to go in other than the north under his program. He has indicated that he will be transferring funds from the old estimates elsewhere, but that's as far as it went in my mind, and I wonder where we can find that these transfers are going to show up. Are they coming in the supplementary estimates or is he going to give them in his remarks when he closes the debate? He's also indicated to the House that he will be moving substantial sums of money to the north, and I just again would like to draw to his attention, I was wondering how far north he is prepared to go. I would like to draw to his attention Highway 83, which is part of my constituency, and I would hope that in his ministerial capacity that he will some day name that new road that's going to go from Thompson to Churchill, or however it gets up there, "83" because this would be rather unique thing; 83 at the present time is the longest highway in North America. It runs from the Gulf of Mexico to Swan River and we over the years have what is known as a Highway 83 Association, and are looking for the day when that extension could end up in Churchill. So I hope in his wisdom that he would keep that in the back of his mind if he's looking for a number for that new road, that 83 would be very appropriate.

I might also draw to the Minister's attention that the annual convention of the Highway 83 Association will be held in Virden next year, our Centennial year, and this is a rather interesting event where Americans and Canadians sit around the same table and talk about that particular road. I don't suppose anything would be more appropriate in the Minister's remarks than an announcement, possibly in his estimates somewhere, that during our Centennial year considerable improvements would be made to Highway 83 possibly in that area from Roblin north. This area has the traffic burden of the Roblin Forest Products Industry which is in the lumbering business. The heavy trucks that have been hauling these logs out of the Duck Mountains have overtaxed the road and it now is in bad need of improvement.

There is another point that I would like to draw to the Minister's attention and that is this new road across the Shellmouth Dam is completed now, as he well knows, and possibly numbering of that artery, which will be quite a tourist attraction, could be 83A possibly. I don't know what the Minister or his Department -- but it was a suggestion that was drawn to my attention by some of the constituents recently.

I might also draw to the Minister's attention the P. R. No. 366 which runs from the Town of Grandview north into the Duck Mountains. This road has been started. I think there's been five or six miles completed this year. This area, of course, has a tremendous potential tourist-wise and I'm sure he can communicate to the Minister of Tourism and Recreation, who sits right beside him, and negotiate the furthering of that 366 so that people can get up into the Duck Mountains without having to go around on 83 or come in on No. 10. Baldy is there, of course, and this is rather a historic site in the province, so I would urge the Minister to take a look at that improvement in especially for the Centennial year.

I would also, Mr. Chairman, like to have the Minister's comments on where he stands

(MR. McKENZIE cont'd.) . . . with the problems of rail abandonment that we are facing in this province. The other day I listened to questions raised in the House here with regards to the C.N.R. Campers' Special, which of course is being abandoned, the problems of the Great Northern route to Minneapolis. There is a branch line in the village where I live that the railroad are deliberately abandoning at the present time, and I would strongly urge the Minister to support the Branch Line Abandonment Association of this province because I think the study that has been under way in Ottawa is about completed and releases will be coming out of there shortly on what lines are going to be abandoned in the immediate future. My experience of work on that committee has been that we have, through the guidance of the solicitor in Virden, Mr. Doak, done an excellent job in stalling the abandonment of these branch lines in our province, and his presentations to the committee are of great interest to me and my constituents, so I would hope that the Minister would come up with some statements as to where we stand under his portfolio with the branches that are proposed to be abandoned in our province.

I'm not going to deal with the problems of the regional air lines. I think they were ventilated at some length in the House by other members. But I find it rather interesting, Mr. Chairman, to find the Honourable Minister sitting as one of the Cabinet Ministers in the government of the day when I read back some of the history of his debates and some of the things that he's said. I recall well his objection to the salaries of the former Cabinet Ministers, who he said shouldn't get more than \$12,500 unless the minimum wage was increased to \$1.50. And I was reading his debate and his speech last year on that particular resolution where he moved that the minimum wage should be a buck and a half immediately. But unfortunately that hasn't happened, Mr. Chairman. This new government is here and, while we are looking forward to that minimum wage legislation, I note that it hasn't gone up. So, well remembering the Minister's speeches, Mr. Chairman, on the Minimum Wage and the Cabinet salaries, I would like to move a resolution that the Minister of Transportation's annual compensation be reduced from \$15,600 to \$12,500 -- seconded by the Honourable Member from Swan River.

MR. CHAIRMAN presented the motion.

MR. BEARD: Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Churchill.

MR. BEARD: I'd just like to ask the last speaker a question. It may be rather a lengthy one but as I sat and listened to him I was very encouraged in that he suggested that there should be a highway built on to Churchill and it should be called Highway 83. I would wonder if he and his Party would be willing to submit a resolution this session, supporting the building of a highway immediately to Churchill and I certainly would be willing to support that resolution if I could be assured that they would bring it ahead in a Private Members' resolution.

MR. McKENZIE: All I can answer the Honourable Member from Churchill, this has been on the agenda of the Highway 83 Association for all the conventions that I have attended. I speak at that level and I am sure that we'd get endorsement from the Virden annual meeting. I also can support it personally. I haven't caucused it with my group but personally I would support the views of the Honourable Member from Churchill.

MR. BEARD: . . . . bring me back an answer, bring us back an answer or resolution on that?

MR. McKENZIE: Well, I would hope that the Honourable Member would submit the resolution.

MR. G. JOHNSTON: Mr. Chairman, would the Honourable Member from Roblin permit a question?

MR. McKENZIE: Yes, Mr. Chairman.

MR. G. JOHNSTON: Perhaps I caught the very end of his speech, but what is his reason for submitting this resolution?

MR. McKENZIE: Mr. Chairman, the reason, of course, is statements that have been made by the Minister that unless the minimum wage was increased to \$1.50, he in effect said that the salaries of the former Cabinet Ministers should be reduced to \$12,500.00.

MR. G. JOHNSTON: Would the member permit another question? Is it the intention to move the same resolution on every Cabinet Minister?

MR. McKENZIE: I can only tell when we arrive at the estimates of the other Cabinet Ministers.

MR. LAURENT L. DESJARDINS (St. Boniface): Mr. Chairman, would the last speaker clarify something that he said? Did he say that this proposed highway that was recommended

(MR. DESJARDINS cont'd.) . . . would be endorsed by the people of his constituency and the people of Virden, and then that it had been on the agenda for three years. Is that what he said?

MR. MCKENZIE: . . . has been on the agenda . . . the Swan River Convention.

MR. DESJARDINS: No, but that particular one, that particular one referred to by the Honourable Member from Churchill?

MR. MCKENZIE: I beg your pardon. I didn't hear the question.

MR. DESJARDINS: That particular highway referred to by the Honourable Member from Churchill. And is the honourable member saying that with all this he has never suggested in caucus that maybe this should be done? Is that what the member said?

MR. MCKENZIE: I think if the honourable member will check back on some of my speeches in the House on Highway 83, he'll find my position on it.

MR. DESJARDINS: Mr. Chairman, the honourable member said that he hadn't caucused this at all.

MR. CHAIRMAN: The Member for Lakeside.

MR. ENNS: Mr. Chairman, before the question is put on the matter of the Minister's salary, permit me one or two comments. I have a somewhat sensitive area when it comes to Ministers' salaries, having been subjected to a few assaults to myself when I enjoyed that position. But I want to speak - and I see the Member for St. Boniface is in his seat - more specifically to him, because I do have the feeling that we are about to see tangible proof demonstrated in this House as to - and I suppose it'll get more as time goes on - as to what the definition of a Liberal Democrat is, because I recall very well, shortly after the last rise in Cabinet salaries were put through in the ensuing session, I believe it was in April 1966, that the Member for St. Boniface arose from that seat, and while not speaking, you know, taking a carte blanche swing at Cabinet Ministers' salaries or the fact that they weren't worth the money that was being paid to them out of the public Treasury, but he made a fine definition between experienced Ministers and those Ministers that, so to speak, just came in off the street, and of course at that time I, along with my colleague here the Member for River Heights and others, were among that. In other words, he felt that there should be some distinction between those Minister who had served in the House at some time or had served as Ministers of the Crown for some time, that while they may qualify for the increased indemnity, certainly not these inexperienced grass green Ministers. Now maybe - and I say that with some deference to my friends to the left here - maybe that was when he was still speaking as a penny pinching Liberal. Now, as a Liberal Democrat, he will undoubtedly have seen or taken a more benevolent attitude toward the needs of those who serve the public, and I would suspect that he would rise in defence of the salary, the full salary, to be paid to the Minister of Transportation.

Now, I'm caught betwixt and between, Mr. Chairman. I haven't caucused this matter with my caucus and while I think the resolution introduced by the Honourable Member from Roblin has particular merit in this instance because to a great extent the Minister of Transportation has brought on this resolution himself with his statements and his actions in the past, I have to stand up and say that essentially I do not believe that remuneration paid to Cabinet Ministers is in any way out of line and that if, in effect, the Minister occupying the position is not worthy of that salary, then it behooves the First Minister to do something about it, as well as of course it applied to the case of any government past - and there have been of course attempts made to make that point very clear, and calls for resignations were made. But generally, Mr. Speaker, I believe that the position itself and the office itself commands the salary, the remuneration to be paid, and in this instance I find myself at odds with my own colleagues and I intend to support the Minister's full salary.

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

MR. DESJARDINS: Mr. Chairman, the last speaker spoke about penny pinchers and maybe I'd like to answer the last of the great spenders. It is true that at a certain time we did discuss a pension, if you recall, a pension bill that was pretty well made to order for the then Cabinet Minister. If you remember that, we spoke long enough that this was forgotten and Manitoba was saved a real disgraceful plan, a pension, and at the time I did say that I felt that certain Ministers probably - that we should look at that, and I'll go along with this. I think it might be an idea that we look at the set-up and that they could be in a group of maybe a few Cabinet Ministers who take more responsibility and that they might be on a higher salary. I did mention that. Maybe it's not a good idea. I mentioned that we should look at that, and I would be ready to look at it again. Now the former Ministers talk about the lack of experience. Well,



(MR. DESJARDINS cont'd.)... if this -- if I said something about the Ministers with lack of experience it would appear that I'm aiming my remarks to him, because he never stayed more than a year or so in any Cabinet post that he had. He was shifted around; experienced at being kicked out, booted out of office -- he's right. But I'm very pleased to see that they stick together in caucus. I think -- I don't know if this was -- it was, it is a ridiculous motion, there's no doubt, Mr. Chairman, when people have been in office for a month and you want to reduce the salary of the Cabinet Minister, it is kind of ridiculous, and I'm pleased to see that the honourable member from -- what is it -- Lakeside, is not going to go -- (Interjection) -- I beg your pardon? With water. Well, if you'd had your way you'd had a lot of water over your head, but thank God this is finished. And then, we also, when we talked about the salary of Ministers, we were talking about the increase, we were talking about the taxable portion, so I don't disagree. I haven't changed my mind, for your information, Sir.

MR. CHAIRMAN: The Honourable the Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, the honourable member who moved the resolution no doubt has a good point, and if he can look back on the statements made by the Honourable Minister of Transport, I don't believe it's for me to stand here and try and defend him. He's quite capable of looking after himself. But I think it's well to recall at the time when the Roblin administration proposed, I believe it was a \$5,000 salary increase for Ministers, in that neighborhood anyway, and not only proposed it but they put it through by Order-in-Council and it never came before this Assembly, and I believe while the heat was on they hastily debarked for Churchill and that's about the only visit they made there, I believe. It was as far away as they could get at that time and still stay within the province and hold a Cabinet meeting, if I recall. So I don't think that this method should be used frivolously to go after a Minister unless there's an open case of incompetence, and I think this type of resolution should be used with care. I believe our Party a couple of years ago moved the reduction of every Minister's salary on the grounds that the increase had not been brought before this Assembly and had not been openly discussed, and of course we were subject to a few barbs from the then government of the day, but I don't think and I don't see how in conscience our Party can support this resolution, and we're quite prepared to see the Minister go ahead and we'll criticize him at another date.

MR. CHAIRMAN: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Mr. Chairman, I rise at this point to bring to the attention a matter which has been of very great importance to the members of my constituency with reference to roads. Am I still out of order, Sir?

MR. CHAIRMAN: We're now dealing with a resolution, a motion to reduce the Minister of Transportation's salary.

MR. GIRARD: That's fine, thanks.

MR. BUD BOYCE (Winnipeg Centre): Mr. Chairman, in speaking to the supercilious motion, some remarks have been said about what the Honourable Minister of Transport has said and has done, and I'd just like to put it on the record that in the short time that he has been in office he has travelled over 4,000 miles of the Manitoba roads, inspecting them personally, and I would suggest or hazard a guess that this is more than the Honourable Ministers across the way did in all the time that they were in office.

MR. CHAIRMAN: The Honourable the Official Leader of the Opposition.

MR. WEIR: I don't think we can let that one go. I think that every Minister that has been here, even before the time of our government, a Minister in charge of Highways took his responsibility seriously, and I take a little exception to honourable members from the other side that challenge the motives of people that are in other parties than their own, and it's been happening just a little bit too regularly at this session.

MR. CHAIRMAN: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I enter the debate on this motion for the purpose of trying to make a contribution and to say to the Honourable Minister of Transportation that he has undertaken a major responsibility in a major department, in a major portfolio, and to express a concern about its operation. This is not to express a concern about his ability. I think that the Member for Roblin, in introducing the motion, has simply brought forward to the House a reminder of statements that were made outside of this House by the honourable member, who obviously sees fit to change his mind due to the new circumstances in which he finds himself, and which is I guess perfectly acceptable, except that we should acknowledge the fact that he in fact is changing his mind and that the rules of the game change a little bit because he's playing

(MR. SPIVAK cont'd.)... it a little bit differently, and he can try and rationalize it all he wants but all he is doing is really going against some of the principles he declared a few years ago. But having said that, and having just dealt with that personal item, I'd like to if I may, spend some time and deal with the Department of Transportation, and really its responsibility, and in this respect make a contribution on the debate of the Minister's Salary.

The Department of Transportation was set up, not as a Department of Highways but as a Department of Transportation, because it was recognized that transportation is a key element in the development of the economic life of this province. Now with respect to the Honourable Minister's portfolio and its responsibilities, I take it from the statements that the First Minister has made in this House, and from the manner in which the questions have been answered, and from the knowledge that I have of the department, that in effect the Minister of Transportation is really today a Minister of Highways; that rail and air responsibility is not within his competence or his portfolio, and this was not the original intention of the change when Highways Department was changed to the Department of Transportation, because it was recognized that we had to start to consider the element of freight cost and the element of air service and air cost as being a significant part in playing, or at least in playing a significant role in the development of our economy, and it became critical to recognize this and we became critical as well to recognize that we had to have within government the expertise to be able to carry on the responsibility, and we had to have the ministerial responsibility for this to oversee all the area of activity in these fields because they directly affect the economy of the province. And I must say to the Honourable Minister and to the members on the other side, that I'm deeply concerned that the statements that I've made are true, and that rail and air are really not being supervised by the department, and in effect have gone back to the Department of Industry and Commerce where they were originally.

Now this was the case and I think the members on this side should be informed of that, because we've already had an example, we've had two examples, two rail matters, in which the Minister himself has said that he has become involved but which obviously have not been successfully concluded - that is, successfully concluded in the interests of the people of the province - and I really believe this to be the case, simply because he does not have the personnel and the expertise necessary to carry on that responsibility. And in a very real sense this is not the fault of the Minister because he can't carry it on. He must have the expertise and the civil servants within his department to carry out that responsibility, and it's been exhibited already that he has not, and I believe it is necessary at this time to point, in some very real manner, the things that we have to be concerned about in this province with respect to transportation, and recognize that either because of the structure of the government as it exists, or because of suggested changes that may come about in time when the review that the government is going to be taking of the various departments is completed, there is now, I would think, a period in which there is a "No Man's Land" in terms of responsibility with respect to rail and air matters, and in that No Man's Land and during this period of time because of this No Man's Land, many very significant and real things are going to be happening which are going to have a direct impact on a lot of people in this province, in which the government has a clear responsibility, in which the Minister as Minister of Transportation has a primary responsibility, in which I suggest he is going to be impotent in being able to carry out any of this activity or accomplish the results that have to be occurred.

Now I've heard the various speeches and remarks about highways in the north, and I commend him for this, but I must point out that this is not the only matter in which transportation is affected in this province - there are many areas of activity; and I'd like to, if I may, deal with them in a very specific and real manner.

First, let's talk about rail. We have the costing procedures which are now on the National Transportation Act, and we do know that the CPR is appealing it - it was announced yesterday and I understand that the counsel for the province has been working on this. I gather that this is not within the competence of the present Minister and I gather that he has no overseeing of this. This is being handled by the Department of Industry and Commerce. And I think this is the case - and if I'm incorrect I will be prepared to listen and certainly amend what I am saying - but if this is the case then I think there should be no misleading of this House or of the people in the province as to who is responsible for this area of activity. Now that the costing procedure is in its final form, we are going to be entering the crunch on branch line abandonment, and many municipalities and many businesses in the rural areas are going to be faced with the

(MR. SPIVAK cont'd.)... responsibility of fighting the last battle before the abandonment of rail lines will in fact take place. Now the province has maintained a position - and we were the previous administration and we will maintain that position - that on specific abandonment applications we would provide technical assistance, and I suggest that the time has come now for the province to take full responsibility to enter in on this field and to assist - not on just technical assistance, but to assist in the planning and the preparation for the final hearing that is going to take place in which branch line abandonment will in fact take place.

Now I know the First Minister is familiar with this area, and I know that the Department of Industry and Commerce has some expertise, but I think this is a responsibility that has to be undertaken, and I suggest that the Minister, in being given his responsibilities, has not been given this specific responsibility. And there is reason to question, not on his individual ability - and I'm not questioning that at this point or his competence - but there is reason to question, on this salary, the competence of the department because they have not been charged with that responsibility. They do not have the expertise to handle this, and in effect there has been, for lack of a better word, a waffling that is taking place until this matter is sorted out, and during this period of time very significant things are happening and the municipalities who are affected by this have not really been informed or contacted by the department, and I suggest to the honourable minister that it now becomes a very important factor in their life and in their actual existence as a community, and I suggest as well that there has to be a primary responsibility taken by the province in both the leadership and in assisting, not just in a technical way, but in a very real and meaningful way, the areas and the businesses affected, to be able to fight the actual abandonment that will take place.

A MEMBER: Will the honourable member accept a question?

MR. SPIVAK: I will at the end, if you don't mind, if you have no objection.

Now, I must also now deal with the whole question of the thrust of what has to take place in the economic development in this province. The thrust has to be to the midwestern market of the United States, and rail rates to and from the United States become a chief factor in our development, and this has to be supervised and this has to be examined. And I suggest again, without in any way taking away from, and I'm not in any way imputing the competence of the Minister, I'm saying that this is not within his jurisdiction and in effect he's not supervising this, and he's not carrying on this responsibility, in effect I believe - and the Honourable First Minister in his statement afterwards may or may not verify this - but this has been sort of handed back to the Department of Industry and Commerce and it is being handled on almost an ad hoc basis. And I'm suggesting that we've reached a point where there has to be real leadership given and there has to be real responsibility taken. And I may say that the previous administration had adopted the policy because they recognized that in order to evolve the Department of Transportation into the effective department for economic development, that it was going to be necessary for staging to occur, and it was going to be necessary for a separation of some of the personnel from the Department of Industry and Commerce to the Department of Transportation, and therefore it was resolved as a matter of general agreement that rail matters would in fact be handled by the Department of Transportation and air matters would be handled by the Department of Industry and Commerce, with eventually, eventually once the overhaul base matter had been settled and the bilateral agreements had been settled, with air going into the Department itself. Now I think the First Minister - and I suggest that this review is now taking place and I suggest that it has not been resolved, I think at one time he's going to have to indicate who is going to be taking responsibility, because I don't think we can afford the luxury of waiting nor can we afford the luxury of someone being sort of charged with the responsibility but not having the ability to carry out that responsibility.

Now we know that the development, the economic development of this province is going to be dependent on the growth of secondary industry, and rail rates are going to be one of the key factors that are going to assist, and we have some expertise within the government - we know that; there's expertise within the government but it has to be developed even further, and many more people will have to be hired. One of the things that has to be understood is that if the Department of Transportation is really to achieve the objective that it has, that this is one area and one department in which new personnel are going to have to be brought in. There was a tendency before to rely on the very effective and brilliant counsel of the province, who represented the province, and who was able to draw the expertise, but he's no more here as counsel of the province and he's not here as a Manitoban, although we may or may not be able to make

(MR. SPIVAK cont'd.)... his contribution in the years to come - continued contribution.

We've reached a point now where there has to be some expertise drawn to be able to effectively deal with these problems because they have a great bearing. And the specific examples that come to mind, that come to the attention of the Department of Industry and Commerce, is not sufficient. We have certain situations of certain industries that may want to locate in Manitoba, where rail rates become a very important factor, and the department gets involved and works with all the officials to be able to try and solve this situation. Now we know that this happens, but those are the cases that are brought to the attention of the department. There are, I would say, hundreds of cases that are not brought to the attention of the department, and there has to be an effort on the part of the Department of Transportation to review the whole situation, to review the categories of industries, to review the whole rate structure and to be able effectively to go out with numbers - because it will require numbers - to go out in the various branches of economic activity and to meet the individuals and to try and assist and solve their problems because rail rates - and I've said this before - and freight rates are going to be one of the keys to the growth in the next decade, and if in fact they get out of line, and if in fact they get out of control, we are going to be in deep trouble in this province. We are in trouble already; we are in trouble already in some specific areas, and we are going to have to start to think in new concepts, and I suggested before that the day may come that we may have to evolve a form of subsidization for some specific industries because of the rise that may have occurred, or will occur, in connection with freight rates. So I think that this is appropriate with respect to the item of the Minister's salary, and now I'd like to deal with the question of air and air policy. -- (Interjection) -- I'm sticking to the resolution and I'm talking about now the Minister's salary, and I've indicated already with respect to it, while I am not talking about his competence or his ability as a person, I think we have to talk about his official capacity of Minister, because he is not performing his position as Minister of Transportation. Because as Minister of Transportation, let me now talk about air matters.

We've already had an answer from him in connection with TransAir. Now, I suggest to you that a regional air policy for Canada, which was announced in October, has not really become involved, but I think we had to become concerned, concerned about the development of our own regional carrier, because if our regional carrier does not develop properly, and if our regional carrier has not the ability to be able to handle -- (Interjection) -- I'll permit a question at the end, if you have no objection -- if our regional carrier does not have the ability to be able to carry on its activity, and if our regional carrier, that is, the regional carrier in Manitoba, and I refer to it as 'ours' because if that regional carrier stops, who is going to service Thompson and Churchill and Gillam and The Pas? And if our regional carrier, who has had trouble, is not allowed to be able to grow and develop so that they will be able to get a routing which will be able to justify the cost involved in modernization of planes, because of the fact that the policy that was announced by the Federal Government is not being followed by the Federal Government, then I suggest to you we can be in deep trouble. And I sense from what the Minister has said in the House in answer to the questions and the statements that have been made out of the House, that he has no understanding of this. And of course I believe, as well, that he has no expertise within his own department to in any way assist him in his thinking.

Now, we have the bilateral agreements and I indicated before, the bilateral agreements -- (Interjection) -- the bilateral agreements -- I wonder if you will allow me to finish. -- (Interjection) -- I'll allow all the questions you want. I think possibly I may have hit a sensitive area for you, but at least at the same time I think this is an area that has to be covered.

MR. CHERNIACK: Finish your speech.

MR. SPIVAK: I consider I have a lot of time. I think I have probably a half an hour left, and I probably can continue as well. -- (Interjection) -- Seventy five hours left? I can't speak for seventy hours. You could but I couldn't.

MR. DESJARDINS: With that material I probably could.

MR. SPIVAK: That's probably true because there is some substance in the material. It's not a harangue.

MR. DESJARDINS: .... he's getting paid.

MR. SPIVAK: Well I would suspect he'll get paid because you're going to vote for him.

Now in connection with the bilateral agreements we know, and I indicated before, that the Department of Industry and Commerce would be handling that, that matter eventually would to to Transportation. We know that there's been some publicity that has been mentioned on this, the

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(MR. SPIVAK cont'd.) . . . bilateral agreements. I'm not going to deal with it in any great detail except to say this: if we recognize that one of the great things that have to be accomplished in the next decade is the increased availability of the midwest market to our entrepreneurs and the growth of Manitoba as a bridge basically between Western Europe and the midwestern market of the United States, then the development of proper access into Minneapolis and Chicago and Denver and Milwaukee and Chicago and St. Louis and Kansas becomes critical.

MR. SCHREYER: And Omaha.

MR. SPIVAK: And Omaha as well. That's right. Well, you may laugh at this, and some of you may think this very funny, and some of you may think that this is like a listing on a railroad train on where it goes, but let me tell you and let me assure you that the success of the kinds of programs that you want to deliver in the next few years during your administration is going to be dependent on the ability to be able to raise the taxes, and that's going to be dependent on the manner in which the economy will be able to develop, and I'm suggesting that there has to be a recognition that this is vital. It's not just access from a point of view of travel. It is vital for entrepreneurs and for business people to be able to have access in and out to any one of those given communities and back here in one day. It is important, because I know - and I think the Honourable First Minister will accept this - that many entrepreneurs who are in the United States, when they have to come up here and find it difficult because it's not convenient to make the connections to come up here, think in terms of the building and operation of plants and the difficulties they'll go through, and this discomfort is a factor in a decision that can in fact take place, where the economics of it can in fact be important. So I say that, in terms of the Minister of Transportation, he's not handling this. Eventually the Department of Transportation will have to handle this, and eventually the Department of Transportation will have to oversee, because the manner in which we've approached the bilateral agreements now may or may not result in what we want, and we are going to have to examine this and watch this. Now I am aware of the fact -- (Interjection) --

The First Minister has asked me one question and I now will answer that one. I think -- I'm sorry he wasn't listening when I said this before. I indicated that there was a general agreement in terms of the takeover that the Minister of Transport, when he assumed the responsibility, would take over rail matters, and that air matters would be handled by the Department of Industry and Commerce. I've already said that, and I recognize that there was to be a staging on this. I'm suggesting to you that the present Minister of Transport is not responsible at all for rail matters, that he has no expertise within his department, that he's not, in fact, supervising. He really, at this point, is a Minister of Highways and that's fine, and I'm not quarrelling with that, but let's recognize that that's happening and recognize that that wasn't the objective of a Department of Transportation.

Now, you have indicated that you are going to be reviewing the various departments and portfolios and you were then going to make possibly some changes, and that's your right. No one's questioning that. But I'm saying that there cannot be -- the time between the time of the review and this period - that is, the period of time in which the present Minister is not fulfilling those duties - I think is a very critical one, and I point out that the rail line abandonment, the railway costing hearings and the other matters which must be attended to, because if in fact there is a lapse, as I suggest there will be, before you either make this the Department of Highways or really evolve a Department of Transportation, and then if you do, then you have to consider the abilities that are necessary to be able to carry that out and these abilities are within the Civil Service, some of them who are not here, I think, within the present Civil Service, some who will have to be hired, and you'll have to think in terms of the time that it will take for that to happen, I'm suggesting - and I'm saying in a very real manner - that the economy can be affected unless some very fast and forthright action has been given, and I'm afraid there's been sort of a - not an intention, but there's been a, well, a sort of misleading posture given to this House that the Honourable Minister has really in fact been dealing with rail matters. When the two items, which are the items of the Great Northern Railways problem, and the problem, the Campers' problem in Minaki, when these two items were made it really wasn't -- he didn't have the kind of competence to do it. It's true he talked, but he didn't have the expertise within his own department to talk about it and to really further it. I'm not sure that the Honourable Minister has ever travelled on the Great Northern, but I think he should recognize that while he suggests that really there's not going to be any change, there really is a significant change, and there is going to be a hardship provided for many people here, and the hardship will be not just

(MR. SPIVAK cont'd.)... for normal travel, the hardship's going to occur for a number of the businessmen, and particularly in the wintertime when air travel is not that convenient, who are going to find it very difficult and who may very well object, as I suspect they will, of having to change trains, possibly wait in Grand Forks because they can't miss connections.

The other very serious and real consideration that should be thought of, and which the Honourable Minister did not because he is not, I would suggest -- I'm not, and I don't know whether he has, but I believe this to be the case; I really don't know this, I only believe it's the case, because he hasn't the experience -- there are many people who go to and travel to Rochester to the Mayo Clinics, who do not have the ability to travel by air and who cannot, because of their condition, travel by bus, whose only access into that area has been by train, and they are going to be inconvenienced and they're going to be put in a difficult situation because of the change that's occurred. Now that change that has occurred has occurred in the United States, but the point that I'm trying to mention is the fact that if there had been supervision and there had been an opportunity -- (Interjection) -- I'd like to be able to make my speech, if I could. And if there had been a review, there would be an opportunity to examine this and to point out the difficulties, because I understand that the reason that the reductions occurred has been because of the loss of certain contracts that the Great Northern has had with, I think one with the Federal Government, and I think there may very well have been an opportunity for some representation to have been made by the Provincial Government in connection with this, and I don't think that this is all lost; and I'm simply saying that it means that it really comes down to the question of the Minister sensing that he has a responsibility, not just a matter of answering to this House because the question was asked, but he has a real responsibility to make sure that that department delivers in those areas. And I'm suggesting that because of what's happened, and because the First Minister has assumed the Department of Industry and Commerce, which now has taken over rail matters, and no one is really assuming this responsibility -- I say this in a very real way -- and in doing this that there is a disservice that's now being done to the people. And this is offered both as a criticism, but not so much as a direct criticism as a matter of a constructive criticism, because I do not think that that time -- that you can have that amount of time -- lee time -- that you're asking for. I think somebody has to take that responsibility in the government now.

Now with respect to Winnipeg as an international gateway, we all know that -- or at least it has now been made public that there is a study, and the First Minister is aware of this -- the bank study -- and I'm hoping that this will have a bearing on the growth of Winnipeg as an international air gateway. I hope that there will in fact be successful negotiations completed in connection with the IATA Agreement so that we will be able to benefit by the rate per mile and which will allow people to travel from Winnipeg to Europe and be able to pay the rate per mile rather than the present rate of going through the gateway through Montreal....

MR. SCHREYER: That would be wishful thinking.

MR. SPIVAK: Well, that could be wishful thinking but I want to tell you something about wishful thinking. That is only going to come about if someone from Manitoba who is charged with that responsibility, really, you know, just simply sits on the doorsteps of the people who are involved to see that that happens. And that really is a function -- that is a function of a Minister of a Department of Industry and Commerce or a Minister of Transportation. Somebody has to do it. Now there is no doubt in my mind that the present Minister of Transportation is not doing it. Now there is also no doubt in my mind that, while there have been discussions with the present First Minister, and there may have in fact been some correspondence, it's only going to happen if somebody is really basically involved and pushing and pressing to get the airlines to at least try and do everything they can to, in fact, cause this result to occur.

MR. SCHREYER: On IATA, you made representations. As M.P.I made representations to the Federal Minister on IATA. You know what the results have been.

MR. SPIVAK: No, but I also know that the representations are not sufficient. I know representations are one thing, but there has to be a continuous dialogue and the -- I would say to you that the time has come that insofar as IATA is concerned, as far as making Winnipeg an international air centre is concerned, that the Minister has to become obnoxious to Ottawa. -- (Interjection) -- That's right. Well I'm suggesting to you -- well maybe the Minister of Transportation may be the right man. I don't know that. He may very well be that, but the point is he's not charged, he's not charged with that responsibility now. He's not charged with that responsibility now and I'm suggesting to you that someone has to do it, and I'm suggesting to you that while you make up your mind as to what you're going to do with that department,

(MR. SPIVAK cont'd.).... whether it really will be a Department of Highways or a Department of Transportation, matters such as these have to be attended to and they are not being attended to. Now, I'd like to now talk about another matter about air traffic and that has to do with the air cargo terminal. We have an air cargo terminal. -- (Interjection) -- I'm sorry that the members on the other side do not want to hear this but it happens to be true. We've....

A MEMBER: Carry on Sid. Carry on.

MR. SPIVAK: Thank you. We have an air cargo terminal that's just been completed.

MR. SCHREYER: Mr. Chairman, I rise on a point of order. The Honourable Member for River Heights has admitted so himself in so many words, that since air policy was in the previous administration and still is in this administration under the aegis of the Department of Industry and Commerce, why is he dealing with air policy and air freight matters on the estimates of the Department of Transport?

MR. CHERNIACK: On a resolution for a reduction in salary?

MR. SPIVAK: On the point of order, Mr. Chairman, I think I can answer that. The First Minister, in answer to a question by myself - and I haven't got the Hansard in front of me but I think I can pretty well give him a summary of it - when I asked him who was going to be in charge of rail and air matters, whether the present Minister of Transportation would be, he said well, these are inter-departmental matters, and he did not indicate at that time that the policy that they were going to be following was the policy that we followed, and if he is prepared to admit that now, then I'll talk about air matters when the Department of Industry and Commerce comes up. But at this time....

MR. SCHREYER: Please do. Please do.

MR. SPIVAK: Beg pardon?

MR. SCHREYER: Please do deal with air matters under Industry and Commerce.

MR. SPIVAK: Well I have a suspicion you're going to hear about this again but let me just talk about air cargo for one matter.

MR. CHAIRMAN: I'd like to interrupt the member just for a moment to say that since there has been some question as to your right to speak in a broad sense on this particular amendment, I understand that since we are dealing with the Minister's salary and this is an amendment to that portion of the debate, that the Member for River Heights does in fact have the right to deal with broad topics in regard to that amendment.

MR. G. JOHNSTON: Mr. Speaker, it's customary to be able to discuss anything in the department on the Minister's salary, I believe.

A MEMBER: Carry on Sid.

MR. SPIVAK: Yes, I won't be that long. It's projected that....

MR. RUSSELL DOERN (Elmwood): .... although it will soon be 5:30, he is also approaching 40 minutes.

MR. SPIVAK: May I ask, will the 40 minutes be before 5:30 or not?

MR. DOERN: It will be. By 5:30 it will be 40 minutes.

MR. SPIVAK: Well, I will in the short period of time left to me, try and cover this and cover the highway matters.

MR. SCHREYER: Perhaps we could clarify this one point of order, I'm sorry, Mr. Chairman. I agree that the rules of this House provide for wide discussion on the item of the Minister's salary, but that's quite apart from the point of order which I raised which is that, since I've indicated that air policy was and is now under the ambit of the Department of Industry and Commerce, would the honourable member admit then that it could be more properly discussed when the estimates of that department are before the House?

MR. SPIVAK: Well, Mr. Chairman, I'm prepared to accept the First Minister's statement and I'm happy that he has now clarified the statement that he made earlier that -- (Interjection) -- The statement he made earlier and I haven't the Hansard in front of me, but if he wants me to show it to him I will show it to him, that air matters are not going to be covered, in which case I now will deal with highway matters in the short period of time in front of me.

A MEMBER: Get back on the road.

MR. SPIVAK: Back on the road, yes. There are four matters on highway transportation that must be considered, and I must now apply the rule that the Honourable Leader of the Liberal Party suggested, in covering it in a broad way at this time. First, there has to be a very serious consideration given to the National Transportation Act and particularly when Part 3 is proclaimed. Now I'm not sure that the Minister is familiar with the National Transportation Act

(MR. SPIVAK cont'd.)... and I'm not sure that he even knows what Part 3 is, but he has a responsibility in this regard and I suggest to him and to the members of the Department that, although there have been preliminary discussions held with the federal jurisdiction in the fields of extra-provincial and international movement by road, it's going to be necessary to have studies undertaken with a view to enunciating the province's position regarding federal regulations, the impact on provincial revenues, and the determination of proper rate levels governing this specific traffic.

Now, there is going to have to be consideration given by the Department on the rate structure for inter-provincial and extra-provincial and the impact of industrial development in this province. Highway transportation costs on industrial development, particularly as they affect areas outside of Winnipeg, are dependent on this.

Thirdly, there's going to have to be consideration to problems that result from lack of authority by Manitoba carriers in the United States. Now this is a very serious problem and it's been reflected recently in the difficulties relative to the movement of commodities such as farm machinery and fertilizer ... the United States from point in Manitoba. And if we are to develop the export potential of the midwestern part of the United States which I've suggested, there is going to have to be serious consideration given to this. And, Mr. Chairman, I would hope that before we vote on this resolution that the Minister would be in a position to answer on these matters to indicate (a) whether there's any awareness on his part on this; and (b) what action, if any, is proposed.

Now the fourth would be to consider and reappraise the impact of reciprocal agreements with the United States jurisdictions. Now this matter has been in study for the past year and it warrants reconsideration to a large extent because of the new and material changes that have occurred since the first agreements were entered into.

Now, Mr. Chairman, I would be very happy -- I hope that there would be an opportunity for the Honourable Minister to -- (Interjection) -- yes, indicate -- well we have all of tonight to -- well, that's fine. I'll finish at 5:30. I'll listen with great interest at 8:00 o'clock to the answers he may have on this and hope that he would indicate that he is performing a function more than just being highways minister, because the Minister of Transportation was never visualized as being someone who was concerned with the location and construction of highways only. It is a far more significant portfolio and a far more significant ministry, and it has a great impact....

MR. CHERNIACK: How much is it worth?

MR. SPIVAK: How much is it worth? If it's carried out it's worth the amount that's voted in the estimated, and I would say that. But I would be interested in knowing how in fact it has been carried out.

MR. CHERNIACK: May I suggest that it's 5:30?

MR. CHAIRMAN: It is now 5:30. I am leaving the Chair until 8:00 o'clock this evening.