

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:00 o'clock, Friday April 19, 1968

Opening Prayer by Mr Speaker.

MR. SPEAKER: Presenting Petitions

Reading and Receiving Petitions

MR. CLERK: The petition of George Sharpe and Others praying for the passing of an Act to incorporate the Westminster United Church Foundation. The Petition of Maitland Bernard Steinkopf and Others praying for the passing of an Act to incorporate Home and Research Centre for Retarded Foundation. The Petition of Manuel Brickers and Others praying for the passing of an Act to incorporate Home and Research Centre for Retarded. The Petition of Winnipeg General Hospital praying for the passing of an Act of The Winnipeg General Hospital Act. The Petition of the Women's Tribute Memorial Lodge Foundation praying for the passing of an Act to amend an Act to incorporate "The Women's Tribute Memorial Lodge Foundation".

MR. SPEAKER: Presenting reports by Standing and Special Committees

Notices of Motion

Introduction of Bills

Before the Orders of the Day, I would like to direct the attention of the honourable members to my gallery where we have 12 young men from the 76th Adventurers Company of St. John's United Church. This group are the guests of the Honourable Member for St. Matthews and the Honourable Member for St. John's respectively. On behalf of all the Honourable Members of the Legislative Assembly, I welcome you here today.

Orders of the Day. The Honourable Minister of Municipal Affairs.

HON. THELMA FORBES (Minister of Urban Development and Municipal Affairs)(Cypress): Mr. Speaker, before the Orders of the Day, I would like to make a statement to the House and I would like permission of the House to read the statement.

A tri-government policy committee consisting of the Government of Manitoba, the Metropolitan Corporation of Winnipeg and the City of Winnipeg, has been formed to co-ordinate redevelopment planning in downtown Winnipeg. The first meeting was held Monday during which there was a review of the various plans and proposals.

This committee, of which I am Chairman, consists of the Honourable Sidney Spivak, Minister of Industry and Commerce; Mr. Jack Willis, Chairman of Metro; Mayor Juba and Alderman Mark Danzker of the City of Winnipeg. A task force to be chaired by Mr. Ross Nugent will consist of Mr. C. H. Chappell, Deputy Minister of Urban Development and Municipal Affairs; Lorne D. R. Dyke, Deputy Minister of Industry and Commerce; John McInnis, City of Winnipeg Treasury Department; and Earl Levin, Metro Planning Director.

The task force will be studying the feasibility and the complementarity of a number of redevelopment schemes that could spur a general forward surge of investment in construction that would give Winnipeg a new face, especially in the downtown area. All levels of government are concerned that Winnipeg should have the best facilities possible.

Particular emphasis is being placed on the role Winnipeg can play as the National Convention Centre. We are anxious to maintain the momentum in the field of tourism generated last year by the highly successful Pan American games. This means encouraging the expansion and improvement of existing tourist attractions and the development of some new facilities. The possible redevelopment of Graham Avenue by building an enclosed climate-controlled shopping mall at the second storey level is only one of the proposals being studied by the task force.

Plans that call for massive urban redevelopment are very complicated. Realistic development, according to an overall integrated planning concept, is a major challenge. Financing is another one. Many legal matters are involved. All three government jurisdictions will be affected, the Provincial Government, the Metropolitan Corporation and the City of Winnipeg, thus co-operation between all authorities is absolutely essential if any feasible plan is to be successful.

Serious consideration will be given to every redevelopment proposal that appears to be economically feasible and satisfies certain requirements regarding design, appearance and public convenience and financing, to mention only a few. The redevelopment of downtown Winnipeg will not be an easy task and can't be done overnight, but at least a realistic start has been made and it is my hope that I can report real progress in the very near future.

MR. SPEAKER: The Honourable Member for St. John's.

MR. SAUL M. CHERNIACK, Q. C. (St. John's): Mr. Speaker, possibly I could make a statement in regard to the statement made by the Honourable Minister indicating the probable benefits from this type of organization. I would assume that it will have no powers, it will only be an advisory body without any either taxing powers or construction powers -- I mean development powers. It will be then an advisor to the three governments referred to there, and I'm wondering whether the work that it does and the recommendations it makes will become available to the public and to members of the Legislature as they go along so that the people will be aware of it.

And may I ask another question. The only name that I recognize that does not appear to be that of a public servant, either elected or employed, is that of Mr. Nugent. Has he now become a public servant in some way, and if he is a private citizen, what is the nature of his employment?

MRS. FORBES: Mr. Speaker, as I mentioned at the last, I hope that I can report real progress and I certainly will, while the House is in session, mention that progress here in the House, and afterwards we will make it public of course as various plans come before us. In connection with Mr. Ross Nugent, in getting a task force together, he was nominated by the Mayor of Winnipeg to be Chairman of this committee.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Speaker, I would take it then that the task force group will be the one who will actually be doing the detailed work on this. Is that correct, that the committee of which the Minister is Chairman will have a general supervisory indication only? Now the reports of the task force will go, presumably, to this overall committee. Will those reports then all be made public? Will this House and the members of this House all be appraised of the reports from the task force to the committee?

MRS. FORBES: When appropriate, Mr. Speaker, we will be giving the reports to the public and to this House.

MR. MOLGAT: Well the Minister says "when appropriate," Mr. Chairman. What does the Minister mean? It seems to me that -- the concept I agree with, in fact I feel that this is something that has been sadly lacking, that there has been no overall planning. For example, in the case of the location of the Arts Centre, which was discussed in this House, there was a lack of co-ordination between the government of Manitoba, the Metropolitan Corporation and the City of Winnipeg. The Province of Manitoba made a decision with no reference whatever to Metro. So I'm not disagreeing with the concept, I think it should have been done long before this.

But what I want to know now is, is it going to be an action body or is it going to be a body merely that will hold back? Now if it's intended to hold back development then I'm not for it. This is why I think the publication of the reports are important, because it seems to me that there is a danger when we set up committees and then task forces that we are really complicating the process in that by shifting reports from one to the other, with no public view of them, governments can simply hold back from doing things, and I would strongly recommend that the reports of the task force to the committee be public reports.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): Mr. Speaker, on this matter -- and it's a very important matter that I'm sure we all recognize -- I wonder whether the Honourable the Minister can indicate what will be the relationship between the task force that she referred to in her statement this morning and that which I believe was set up last year of the urban redevelopment corporation itself. I am sure the Honourable Minister recalls possibly better than I the proper title of the group that I'm referring to, but it seemed to me that in speaking this morning the Minister did mention one or two names that already are on a committee set up by the Minister in connection with legislation that was passed here last year. What will be the relationship between the two, or will they be in essence duplications, having two bodies seemingly appointed that, to some degree at least, have overlapping areas of investigation.

MRS. FORBES: I believe that the Honourable Leader of the New Democratic Party is referring to the Manitoba Housing Corporation that we had last year. Certainly we hope that they too will make recommendations to the task force. They are not the same and one as you are suggesting to me.

I think that the Honourable Leader of the Opposition has said that all public reports -- he hoped that they would be made -- and I give sincere consideration to this because I agree with him on here too. But I think he will realize that as we get suggestions there will be some

(MRS. FORBES cont'd)... private involvement here, and some of the matters I presume will be confidential until they are prepared to make their announcement public. So its a co-ordination of all these, and certainly it's not our hope to hold anything back but to see Winnipeg grow, and everything that we possibly can do to keep the public in touch we will do.

MR. MOLGAT: Mr. Speaker, I'd like to ask a further question of the Minister. The priority of this body presumably then is the centre core of the city and the redevelopment of the City of Winnipeg proper. Now is it not correct though that in the process of plans for the centre core that you can't ignore the outlying areas of the city either. Now what plans are there then to bring into the overall planning the other municipalities in the Greater Winnipeg area, because if for example an area in the centre, which is presently residential, is to be wiped out, obviously these people have to find residences elsewhere. They may not find them strictly in the borders of the City of Winnipeg proper and then something has to be done with other municipalities. Now is there going to be co-ordination? Are these others going to be invited to sit on this task force and on the committee?

MRS. FORBES: Mr. Speaker, as this develops there certainly will be co-ordination with all areas in the Metropolitan area, and as it affects them, we certainly would be speaking to them. It's a liaison committee and, hopefully, it will work and co-ordinate all. The emphasis of course is being placed on downtown Winnipeg.

MR. MOLGAT: But, Mr. Speaker, at this time there are no representatives from other municipalities. Is that correct?

MRS. FORBES: No.

MR. SPEAKER: Orders of the Day.

MR. MOLGAT: Mr. Speaker, before the Orders of the Day, I would like to address a question to the Minister of Agriculture. Can he give us any further report on the situation at the Souris Creamery?

HON. HARRY J. ENNS (Minister of Agriculture) (Rockwood-Iberville): No, Mr. Speaker.

MR. MOLGAT: Mr. Speaker, a subsequent question. Is there any possibility of the Milk Control Board rescinding its order today so that the creamery could re-open Monday?

MR. ENNS: No, Mr. Speaker.

MR. CHERNIACK: Mr. Speaker, if I might direct a question to the Honourable the Attorney-General in connection with a statement which I believe he made and which I may not have heard correctly, dealing with the right of persons in police court to be given time in which to pay a fine rather than be incarcerated. If I might read him just a short paragraph of an article that appeared yesterday just to clarify the situation, it states: "Provincial law denies the right entrenched in federal law by Members of Parliament to allow persons time to pay a fine. It is a right given to a person fined for theft or assault but not to a person fined for offences under the Provincial Liquor Act." I'm wondering if this statement is correct and if I misunderstood my honourable friend when he spoke on his estimates.

HON. STERLING R. LYON, Q.C. (Attorney-General) (Fort Garry): I'll have to take that as notice and look at the sections involved, Mr. Speaker.

MR. SIDNEY GREEN (Inkster): Mr. Speaker, I'd like to direct a question to the Honourable the Minister of Agriculture. I concede that I'm not acquainted with the nature of the Milk Control Board to a great extent but it's rather anomalous to me that a Minister can answer for the Board and say in an address that "I'll use whatever influence I have on that Board." Can the Minister tell me whether this is an independent board or whether he has, in fact, some control over its decisions -- or influence.

MR. ENNS: Mr. Speaker, this is indeed an independent board set up to serve the interests of the dairy industry, both producer and industry. I would hope that all boards set up by governments from time to time have within their sphere of operations a degree of flexibility to consider the peculiar situations of any given situation that arises. They are very specifically bound by statute as to the type of actions that they are called upon to take in a given situation, and there is no suggestion here or in the statement that I made a day or two ago of using my influence on the Board that these types of statutes should be overlooked or should be bent in any way. The Board had to act in the manner that it acted. Any interference on the part of the Minister in this particular situation was limited strictly to providing my offices, my good offices to be used as meeting places for the interested parties, to suggest to them that they do meet again and again on this matter. It's in that area that I used my good offices, Mr. Speaker.

MR. GREEN: Mr. Speaker, can the Minister then tell me why he can be so unequivocal

(MR. GREEN cont'd)... in stating in answer to the Leader of the Opposition that the Board will not change its decision today.

MR. ENNS: Under the present conditions they have no option, Mr. Speaker. I know the statutes under which they work.

MR. ELMAN GUTTORMSON (St. George): Mr. Speaker, I'd like to direct a question to the Minister of Municipal Affairs. Does the Minister contemplate any action as the result of the complaint lodged by a councillor at Carberry?

MRS. FORBES: Mr. Speaker, I have written to Mrs. Marie Barber, the councillor from Carberry, in answer to her letter.

MR. GUTTORMSON: I didn't hear the first part of your reply.

MRS. FORBES: I have written to Mrs. Marie Barber, the councillor from Carberry.

MR. PAULLEY: Mr. Speaker, before the Orders of the Day, may I direct a question to the Honourable the Minister of Industry and Commerce. When will my honourable friend be in a position to table the Order for Return dealing with the Informational Service Branch of the government?

HON. SIDNEY SPIVAK, Q. C. (Minister of Industry and Commerce) (River Heights): Soon, Mr. Speaker.

MR. PAULLEY: May I ask a supplemental question: We have heard "soon" so often - now how soon is soon?

MR. SPIVAK: It will be soon, Mr. Speaker.

MR. GUTTORMSON: Mr. Speaker, a supplementary question to the Minister of Municipal Affairs. Would she table the letter she sent to Mrs. Barber please?

MRS. FORBES: Mr. Speaker, if I have an Order for Return, I would be happy to table any correspondence.

MR. MOLGAT: Mr. Speaker, I'd like to address a question either to the Minister of Agriculture or to the Minister of Industry and Commerce. Insofar as Souris Creamery, the Minister of Agriculture pointed out the other day that the only problem was financial, and as long as the funds were put up that there would be no question in his mind that it would continue. The amount of money involved apparently was some \$20,000. The argument seems to revolve around whether or not the \$20,000 is fully committed or not. In my view it has been, but be that as it may, has the government given any consideration to any advance - the government was prepared some four years ago in the case for example of the San Antonio Gold Mines to proceed at that time - has the government considered this in this case?

MR. SPIVAK: Mr. Speaker, the statements of the Honourable Leader of the Opposition are not accurate. The requirements of the additional monies were one of the stipulations for advancement of additional sums of money by the Industrial Development Bank. There were several other matters that had to be considered and had to be undertaken. One was the postponement of creditors, one was a question of management, another was a question of the bond that was being held by the Milk Control Board either being extended or a new bond being undertaken.

In the discussion that took place in the House with reference to the question that was asked by the Leader of the Opposition on the first occasion, there was indication if the money was available that the other stages would appear to be capable of being managed very quickly and possibly before any action was finalized by the Milk Control Board. The truth of the matter is this, that to the best of my knowledge the moneys that were in fact to be advanced were not advanced, and as a result the Milk Control Board acted and the mortgagee - in this case the Industrial Development Bank - acted as well.

But I think I would repeat the remarks of the Minister of Agriculture by suggesting that if this matter was left out of the House and out of politics for the next period of time, that there probably will be a likely satisfactory solution to this problem and the probability that the creamery will in fact continue in the community.

MR. MOLGAT: Mr. Speaker, I don't know what inference the Minister means by being left out of politics. I don't know what he means, but if he has any improper inference then I would suggest to him that my honourable friend maybe better go back and find out how government operates, because these are public issues, Mr. Speaker, and I have no hesitation at all on speaking on public issues.

Insofar as the accuracy of my facts, I was repeating what the Minister of Agriculture said the other day that the problem was a financial one. He's the one who made the statement,

(MR. MOLGAT cont'd)...not I.

Now, I have been in discussions with the Industrial Development Bank and my understanding is that the bond for example does not expire until the 9th of May. If it doesn't expire until the 9th of May, it's an actual bond existing now, so that aspect of it need not be concerned about. I've been told, by someone who should know, that the creditors are prepared to make an agreement.

The other question is a second mortgage. I think the people who hold the second mortgage are prepared to let this go. The whole question is that it must be acted upon now, because if it's not acted upon now, it'll be very difficult to revive this industry and that no time can be wasted. This is why the matter must be brought up. For the Minister to say "let it sit and wait", I don't think is a sufficient answer.

MR. SPIVAK: Mr. Speaker, the truth of the matter is that the members of the Department of Industry and Commerce have been involved in this almost daily since December. They have been involved with this day and night. They have been working with IDB and the matters are not as simple as the Leader of the Opposition suggests. I would suggest that, because I do have some knowledge of the activities, that I am hopeful that a positive result will occur. I can't promise this, but naturally I'm hopeful that it will. But the best thing that could be done in the interest of the creamery and in the interest of the community is to have this matter stand and let the people who are now dealing with it try and put it together.

#### ORDERS OF THE DAY

MR. SPEAKER: Committee of the Whole House.

HON. GURNEY EVANS (Provincial Treasurer)(Fort Rouge): Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider of the Bills standing on the Order Paper.

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

#### COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: Committee proceed. Bill No. 2, an Act to amend The Insurance Act (1). (Sections 1 to 4 were read section by section and passed.)

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Chairman, I missed the discussion in the Committee on this Bill. Were there some representations made on it; and if so, were they favourable or was there opposition?

MR. EVANS: No, Mr. Chairman, I think I'm right in saying there were no representations, and as far as I am aware, no discussion on the Bill.

MR. CHAIRMAN: (The remainder of Bill No. 2 was read section by section and passed.) Bill No. 3, an Act to amend The Insurance Act (2). Section 1 --

MR. CAMPBELL: Mr. Chairman, do the same remarks apply with this one?

MR. EVANS: There were no representations made on the Bill. There were some questions asked of the Superintendent of Insurance, who to my knowledge, as far as I am aware, answered all questions to the satisfaction of the people who asked them.

MR. CHAIRMAN: (The remainder of Bill No. 3 and Bills Nos. 4, 5 and 6 were read section by section and passed.) What is the wish of the Committee now on Bill No. 10?

HON. STEWART E. McLEAN, Q.C. (Provincial Secretary) (Dauphin): Bill No. 10. May we proceed page by page?

MR. CAMPBELL: I take it that's the way it was done in Law Amendments all the way through. Is that correct?

MR. McLEAN: Yes, Mr. Chairman.

MR. CAMPBELL: I heard the representations that were made, that is the people who volunteered their services and one short statement that was made by Mr. Dorfman, but outside of that there were no conflicting or controversial positions taken, were there?

MR. McLEAN: Mr. Chairman, that's correct, there were no representations, no submissions.

MR. CHAIRMAN: Is it the wish of the committee then to proceed page by page? (Bill No. 10 was read page by page and passed. Bill No. 37, Sections 1 to 4 were read and passed.)

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, I was wondering, and expecting as a matter of fact, that when this Bill was before Law Amendments Committee yesterday that the Minister would introduce some legislation in respect to breathalizer tests and the whole subject of breathalizers in the Province of Manitoba. When I asked him yesterday before the Orders of the Day whether or not it was his intention to introduce breathalizer legislation at this session of the Legislature, I forget exactly what he said, but my interpretation of his remarks were he had in fact a change of heart and perhaps would be introducing breathalizer legislation. Now I was disturbed yesterday in Law Amendments Committee to find that no amendment was moved to this Act.

Now I wonder if the Minister would tell us now then, if he does not intend to move an amendment to the Highway Traffic Act, how does he propose to bring in legislation in respect to breathalizers in this province? Every member of the House, I am sure by this time, has received a great deal of letters, a great deal of information from various interested groups on this whole subject matter of breathalizers, and the last one that we received I believe was just yesterday. I don't know whether my honourable friend paid any attention to the one he received in light of the comments that he made to myself when we were dealing with his estimates, but the one that we received yesterday in the mail was put out by the Greater Winnipeg Safety Council, and a letter enclosed in this brochure, "What the Breathalizer Will Mean" -- and it has a picture of a breathalizer on the outside of the folder.

Now, the Greater Winnipeg Safety Council apparently had a booth at the Leisure Land Show at the Winnipeg Arena last week, according to the information that is before us. I believe the Honourable the Attorney-General opened that show, and according to the information we have before us, 1,835 people walked up to that booth and voluntarily answered certain questions in respect to pedestrian crosswalks and motorists, pedestrians, and finally breathalizers. Apparently there were six questions on the information sheet that they were asked to complete, purely voluntary, and of the 1,835 people that completed this questionnaire, voluntary questionnaire, they said in reply to this question, "Do you believe that spot check breathalizer tests of motorists would reduce traffic injuries and death?", 617 or 34 percent of them said: "Yes, slightly"; 1,076 of the 1,823, or 60 percent of them said: "Greatly", that in their opinion, 60 percent of them said in their opinion it would greatly reduce traffic injuries and death; and only six percent, only six percent said they didn't think it would help at all.

Well, my guess is that my honourable friend the Minister of Public Utilities considers himself in that last group of six percent, because he did say the other day when I questioned him on this, he said: "Oh well, these breathalizers would make people mad; some of them would be offended if you stopped and asked them to breathe into a bag; it would make some of them mad." Sure it will make some of the motorists mad, but as I said before, if you've got to consider the saving of lives on the one hand and making people mad on the other, I say, let's make some people mad and save lives. I maintain that this government has been dragging its feet on breathalizer legislation.

I imagine my honourable friend the Attorney-General wants to get into the act. I wonder if he, when he opened the show out there the other day, was he one of the volunteers that completed the questionnaire, and if so, is he in the 60 percent or the six percent? Is he one of the 60 percent that believes the breathalizer tests would reduce traffic accidents or is he in the six percent that says "not at all".

MR. LYON: As usual, my honourable friend leaves me breathless.

MR. SHOEMAKER: Pardon?

MR. LYON: As usual, my honourable friend leaves me breathless.

MR. SHOEMAKER: I've taken his breath right away, eh? Well, I still hold the view that these breathalizers have been tested and proven beyond any question of doubt that they would save lives. Just the deterrent feature alone, the deterrent feature alone would have wonderful effects on accidents in this country.

I was one of the members, as my honourable friends know, that sat on this insurance committee. We haven't resolved very much yet, but we sat on it and had several meetings, and it was certainly brought home to us in no uncertain terms that the public by and large are very concerned over the annual increase in insurance rates. A recent article appearing in the - I think it was in Times magazine in the United States, a current one - talks about an industry with 103 million dissatisfied customers. And do you know what industry it referred to - three or four-page story - the insurance industry. And so in United States as well as in Manitoba

(MR. SHOEMAKER cont'd)... the insurance industry has many dissatisfied customers simply because the premiums are high.

Now, if we had 202 deaths last year in Manitoba, fatal traffic deaths - and I believe that figure is correct - and if we can reduce those figures by 50 percent you've saved 101 lives; if you can reduce it by 25 percent you've saved 50 lives. So what's wrong with giving it a try? What's wrong with giving it a try?

Accompanying this, the latest -- no, this article I have before me, Mr. Chairman, is from the Nova Scotia Medical Bulletin entitled "Highway Safety News. U.K. breathalizers prove their worth; London accidents cut by 42 percent." Well, if you cut the accidents by 42 percent, by the same token then would not our insurance premiums go down? Would they not go down? So we would not only save lives but we would save millions of dollars in addition.

So I hope that my honourable friend will get up and tell us that it is his intention to either (a) move an amendment to Bill 37 that is before us to deal with breathalizers; or (b) tell us now that it's his intention to introduce breathalizer legislation. Let's find out one way or another. Surely to goodness if he's not convinced by this time that the time is ripe to introduce legislation, then I will supply him with some information and facts that I have on hand to prove that we've gone too long without these tests and it's high time that something was done in this regard.

I should read my honourable friend, just to support his argument - he loves to hear this one - here's two letters from the London Times - two - one for and one against. And just to be fair to my honourable friend perhaps who doubts whether or not the breathalizers are effective, these two letters appeared in the London Times, one dated November 2nd last and one dated November 7th, Letters to the Editor. I'll read the first one. "Sir," it says, "about 11:30 p. m. on Saturday last the audience were leaving the Whitehall Theatre and I was one of them. The lighthearted comedy had created a happy atmosphere but this came to an abrupt end. Immediately in front of the theatre a motorist was taken into a patrol car and given a breathalizer test. This public spectacle before an audience of several hundred under the blazing lights of the theatre had a remarkable effect on the members of my party. A cold shudder, a feeling that they were witnessing something obscene, something repulsive, a feeling not of subservience but of defiance, defiance against the state, against authority; they were seeing a man stripped of his dignity. This we are told is accepted in other countries, but these are people who a few years ago accepted an authority which we refused to accept. It was a spectacle I do not wish to witness again." Now I suppose my honourable friend will say, "I told you so."

Now the people don't like it if it is going to be a spectacle. Here is the other one appear in the same paper. "Sir, One's heart goes out" - and incidentally the other letter is signed and they have the courage to sign their name, J. R. Oliver. The other one dated November 7th: "One's heart goes out to Mr. Oliver whose evening enjoyment was spoilt by the sight of a man having his breath tested for alcohol. My evening's enjoyment too was spoilt quite recently by the sight of two crushed and bleeding bodies trapped in a car which had been in a head-on collision with another. The driver of the other car was found to have twice the permitted alcohol content in his blood. I wish that Mr. Oliver had been there with me to say which spectacle distressed him most, because they are in fact alternatives."

Now this is exactly what I said three or four weeks ago. Sure you are faced with the two alternatives, with the alternatives of getting a few people provoked on the one hand or saving lives on the other, and I hope my honourable friend will inform the House now that it is his intention to bring in legislation at this session of the Legislature in respect to breathalizers.

MR. McLEAN: Mr. Chairman, there is a resolution on the Order Paper presented by the Honourable the Member for Assiniboia dealing with this topic, and when that matter is reached and in due course, we on this side of the House will have what I would hope would be a useful contribution to make to the resolution and to the debate, and I'm certain that it will meet with the full support and approval of the Honourable the Member for Gladstone-Neepawa.

In addition, I'm happy to tell him and perhaps I ought to have said this yesterday when the question was asked, that we have a second Bill for proposing certain amendments to The Highway Traffic Act on a number of other matters, but included in that Bill are two provisions that deal with the use of breathalizers, both of which I am certain will receive the full approval and I hope the public commendation of the Honourable the Member for Gladstone-Neepawa.

(MR. McLEAN cont'd)

Now, Mr. Chairman, I really ought to stop there having said what I have, but I never cease to be amazed by the Honourable the Member for Gladstone-Neepawa. He neither listened to my previous remarks nor did he understand them, and of course he persists in his attempts to distort them out of their meaning - and I suppose I ought not to complain because that seems to be the game we play in here and that's fair enough - but of course I'm equally amazed that he purports to stand up and quote figures taken, opinions expressed by a random group of people who chanced to be at a certain place at a certain time, and presents them to this Legislature as though they were facts. What utter nonsense, Mr. Chairman! We surely have to conduct our public affairs in a more businesslike way than that.

Now this is *arbitraria dicta* and it's no contribution. We'll have our position quite clear. My position hasn't changed, my position has always been quite clear, and all that I ever did was attempt to bring some reasonable consideration into this consideration of this particular matter because I believe - and I won't go over the story again - that there are certain facts which ought to be remembered by the members of this House or any other assembly when they are dealing with this topic. That's all I ever attempted to do and all that I will attempt to do when the matter comes before us again. However, Mr. Chairman, I have indicated the legislation that is coming forward and we'll be very happy to discuss it when that time arrives.

MR. MOLGAT: Mr. Chairman, I would like to know exactly what it is the Minister has in mind though, because some time ago when this matter was discussed the Minister stated most emphatically that he was opposed to breathalyzer tests. My colleague brought the matter up...

MR. McLEAN: On a point of privilege, Mr. Chairman, that statement is not correct. Now I don't want to get into this silly debate again but that statement is not correct.

MR. MOLGAT: If it's a silly debate, my honourable friend is the one who made it silly because he's the one who made the statement. My colleagues were asking questions about whether or not the government were going to bring in breathalyzer tests, and I am trying to get the exact statement in Hansard right now, but here is what was reported in the newspapers. This is speaking during the estimates debate, Public Utilities Department. "On Monday, Mr. McLean said 'Mandatory breathalyzer tests for motorists will not necessarily prevent accidents and will cause hardships for many people.' He said 'the breathalyzer has been oversold and cautioned that no miracles in the way of reduced number of highway fatalities results from its use and was opposed to the proposition'."

MR. McLEAN: No, No, Mr. Chairman, that's not correct. I object to this. What I said is quite clearly and quite accurately reported, but it does not amount to the statement which the Honourable the Leader of the Opposition is endeavouring to put in my mouth at this time.

MR. MOLGAT: Well, I'm not endeavouring to put anything in his mouth except the statement that he made, Mr. Chairman. As soon as I get Hansard's exact quotation I'll be prepared to do so, but certainly his statement then was that it would not necessarily prevent accidents; it's been oversold; and it's going to annoy people. Well I won't have time to read this right now, I'll let my colleague do it, but that was the situation at that time. As a result of the statements of my honourable friend, we introduced a resolution at that time so that we could get a definite decision by this House. I'm prepared to serve notice on the Minister now that if there is no action taken on this, we will introduce a Bill at this session, proceeding with breathalyzer tests.

Now if the Minister will tell us at this time what he is going to do -- (Interjection) -- that's fine, I think the Saskatchewan Act is one that's in operation, and other provinces have some as well, so the problems of drafting surely wouldn't be insurmountable. It has been done elsewhere, so my honourable friend won't be breaking new ground. So we have before us now a Highway Traffic Act, and surely this is the time to proceed with the necessary changes. If the Minister will tell us now that he is definitely going to introduce breathalyzer tests then this Bill can be held up in committee and he can bring in an amendment. This would be the proper way to do it. It should have been in this Bill in the first place. If we are dealing with the Highway Traffic Act, there is no reason to bring in a second Bill. So my suggestion is if he has changed his mind, if he has moved from a position of opposing breathalyzers to one of accepting it, I'm happy to ...

MR. McLEAN: Mr. Chairman, because the proceedings of this Assembly are recorded,

(MR. McLEAN cont'd)... I must here on a point of privilege record my opposition to the statement that I had opposed breathalizers - that is not correct - when I spoke before.

MR. SHOEMAKER: Mr. Chairman, I always seem to get into an argument with my honourable friend. This started ten years ago as to whether he said something or whether he did not say something. It's not my interpretation, but when the press, whether it's at Dauphin - incidentally I was talking to one of the press fellows from Dauphin today - but whether it's the press at Dauphin or whether it's the press in the gallery, if they can not comprehend what my honourable friend says, then there's two of us that can't. And if they have misquoted you, then why don't you take legal action against them?

But it's quite clear on Page 494 of Hansard No. 20 that my honourable friend was taking exception to the breathalizers. In fact if he's in any doubt as to what he said, I can read what he said. "My own personal feeling is that there will be many hardships that will be worked by breathalizers, because any time you use a mechanical device to say whether or not someone is guilty of an offence, you run the very grave risk that there will be those who, because of their physical make-up, will push the needle up over the limit, but who by all measurements may be entirely capable of doing good driving, whereas there are undoubtedly those who would be far from reaching the limit on the breathalizer machine, who ought not to be on the highway. So that's all I'm really -- I recognize as I say it's an emotional issue; it's easy to grasp and to promote. All I'm saying is - and I am sure that we are going to have it in the Criminal Code where it ought to be, and where it belongs in our legislative process - but I would take this opportunity of simply warning the members of the committee that in my opinion it will work hardship for which members of this Assembly no doubt will be demanding remedial measures in due course and that it will not necessarily prevent accidents happening from the unwise use of alcohol."

Well, he's saying that it isn't going to help. He said, "And indeed if you want any illustrations" - to prove his point - "it ought not to be Great Britain that you are looking to, but what about British Columbia and Saskatchewan and Alberta, where members have said they have the breathalizer test. Are you able to point to their accident record being any less than Manitoba's? I'm afraid not." Well does that sound that he's in favour of breathalizers? I ask the press, does that sound as if he is all out for breathalizers? Gee Whiz, if I can read between the lines at all, or read on the lines, ...

MR. McLEAN: Just read the lines.

MR. SHOEMAKER: Read the lines? I'm asking my honourable friend, after reading exactly what he said, would you say: Gee, my friend has taken a stand today. I'll tell you, he may have straddled the fence on some other occasions but on this one he has taken a stand; he is solidly behind breathalizers. Is that the inference, the implication you would get from reading that kind of a statement? To be the kindest that I could be to my honourable friend, I would say he had some doubts about -- that would be very kind to say that, that he had some small doubt in his mind as to the value of breathalizers. But if you wanted to be unkind, you would say, well gee whiz, he's completely opposed to it.

Now somewhere between those two, I don't know where he stands. Well, I know where he stood back on Monday, March 25th, but on April - what's today - the 19th, he's taking a different stand and I want to congratulate him for taking that stand, but it's taken nearly a month for us fellows to convince him, plus all of the letters that he has received and my guess is he has received for every one I have received, he's received ten - telling him you fellows better smarten up and get on the side of these breathalizers or it won't be so good for the Tory Party; you are on the wrong side of the fence. And this is -- it's pressure from this side of the House, pressure from the people of Manitoba that has brought my honourable friend to changing his mind.

Now if my honourable friend can point to some other part of the speech where he has come down on March 25th, come down on the side of the breathalizer, let's point to it. I read to him what he said and I certainly think that on that occasion - on that occasion he certainly said I'm not in favour of it and he gave his reasons for it, and both the daily papers interpreted it the same way that we did.

MR. McLEAN: They did not.

MR. SHOEMAKER: They didn't? Read the newspaper reports.

MR. McLEAN: They reported what I said. Mr. Chairman, I said earlier I just - I know it's crazy to become involved in this debate - but if the Honourable the Member for Gladstone-

(MR. McLEAN cont'd)... Neepawa wants to refer to what I said on March 25th, 1968, perhaps he would like to look back and see what I said during the presentation of the estimates of the Department of Public Utilities in 1967. Now I don't remember the date. I never read these Hansards - it's bad enough to hear the speeches in the first place - but you'll be interested, if you care to do a little research, as to what I said on that occasion.

MR. LAURENT DESJARDINS (St. Boniface): Mr. Chairman, I think maybe we should have a little research. I'll read from the Tribune - he says this is not what the paper said - I'll read from the Tribune of April 16th. "The reasons given by Honourable Stewart McLean...

MR. McLEAN: That's an editorial; that's different.

MR. DESJARDINS: Do you mind?

MR. McLEAN: That's a different...

MR. DESJARDINS: It doesn't count? What do you do, tear out the editorial page in the paper?

MR. McLEAN: Mr. Chairman, the ...

MR. DESJARDINS: Are you going to make a speech or answer my question? I think I have the floor.

If he doesn't mind, I'll read this editorial. "The reasons given by the Honourable Stewart McLean for not legalizing such tests in Manitoba are the procedure would annoy motorists and that they would be mainly useful for gathering evidence after an accident, but surely it is worth annoying some motorists to protect other motorists." This is what they feel, and there's the other one - this is the one they compare you to Barbara Castle, or saying you're not like Barbara Castle, "Mr. McLean's cautious approach was exemplified in the Legislature last Monday; the subject was breathalizers. He felt that this machine would be of doubtful benefit in cutting down traffic accidents in Manitoba. It had become an emotional issue and was being oversold. He questioned whether it had really been successful in Britain and wondered whether the decline in accidents there had not been due to other causes. He warned that there would be an uproar from the thousands who never take a drink if they were stopped on the highways and asked to submit to a breathalizer test."

Well all right, my honourable friend says that this is an editorial. But we have Hansard here, my friend and deskmate here read some but I'm going to read more, and you stop me if this misquotes you. You stop me any time it misquotes you.

MR. SHOEMAKER: Hansard doesn't misquote anybody.

MR. DESJARDINS: He thinks it does. "Just while I'm on my feet" - this is what he has to say - "Just while I'm on my feet, I'm never certain how much to say about the breathalizer, because I'm as well aware as anyone else about the emotional impact that it makes, and yet my concern is that it is going to be oversold and expected to produce miracles when in fact no such thing will happen." This is what he said. He doesn't know what to say.

It's clear now, Mr. Speaker, that maybe he's changing his mind, because as my friend says, he's getting different literature, and the Manitoba Medical Association for one feel that this is not going to be undersold or oversold. And he did this same thing on television and education years back. Now this is - he keeps on here, and I'm quoting again from March the 25th: "The other circumstance to be taken into account is that if we're not all to be stopped at every corner", you see how ridiculous this is, "and asked to take a breathalizer test" - did anybody suggest that there will be a breathalizer station on every corner. "Then of course the breathalizer will largely be used to prove the facts after the event". And this also is wrong, because it is a proven fact in England. "And in that sense will be perhaps no more helpful in preventing accidents; it will be helpful in proving the guilt or innocence of the accused person but it may not necessarily be helpful in preventing accidents unless, as I say, all of us are required to take a test before we start out, and maybe two or three times along the way in case we may be suspected of having something to drink."

And I think that -- it has been a negative approach from the Minister because he ridiculed this and then he said, "Let's bring in B.C." But B.C. - it's a different situation in B.C. altogether. The drinking might increase in B.C. but it's not because of the breathalizer at all, because there they use the breathalizer only if the driver is warned once they're stopped. They just warn the people, they take their licence away, and it has nothing to do with the breathalizer. The breathalizer comes in in B.C. only if the people say, well there's nothing wrong with me and I'll submit to a breathalizer test and if the breathalizer proves that they were all right, they get their licence back.

(MR. DESJARDINS cont'd)

Well, Mr. Chairman, the Minister said that it's emotional. Well what's wrong with emotion? Emotional means that you're worried about something; that it does something to you, and the people will get behind it, but why? Because of all the loss of lives. If you see a little girl get hit by a car, especially if it's a drunken driver, if that's being emotional I think you should be emotional. You have to look at that; you're worried about the people that don't drink; they'll be stopped, and they'll be told, well you take this test. Well is that bad if you're going to save one life, even one life in Manitoba. Do you think I'm being emotional when I say this? Do you say one life is not worth annoying a couple of people that don't drink? They're not going to stop everybody everywhere. They're going to have this breathalyzer test and it will do more than prove, because the people will know, will know that this is patrolled, that there's such a thing as a breathalyzer station and so on. And besides that if this is done they will get a lot of people off the street before they hit anybody. Sometimes they'll be too late, that's for sure. But if you're going around, and you shouldn't be driving your car, and you're stopped and you have a breathalyzer test and they haul you in, well at least they're taking you off the street where they weren't before.

And I think that this is important - I mean - if the Minister is against this, he can say it. And if he's changed his mind, let him say it, then we won't argue anymore. This is fine. There's nothing wrong with anybody changing their minds - this is what we're here for, this is why we have debates. If we can prove to you, or if we can induce you to see that you were wrong - and that goes for the same thing - if you do the same thing to us, this is fine. We don't have to argue for days and say what you did, because you're talking from both sides and you're saying yourself that you're...

MR. McLEAN: What are you doing?

MR. DESJARDINS: Well am I against breathalyzers, do you think? Well which other side am I talking about? Am I talking against breathalyzer now? Am I saying that I'm not sure? Am I trying to ridicule breathalyzers? Is that what I'm doing? Is that what I'm doing? No, I don't think you can say that. -- (Interjection) -- There's no comments at all now.

If you're for breathalyzer, put it in this Bill. Let's change it or bring another Bill yourself, because we certainly will - and I think that you told my Leader don't waste the time in preparing the Bill; in other words you're going to vote against it maybe. Well at least we'll do what we're supposed to do, we'll take our responsibility seriously, and if there's more like you that feel that this is a waste of time, that it's more important not to annoy people -- (Interjection) -- than save lives, and get these drunken drivers off the street -- if you feel that this is wrong, and there's more people like you, well we'll go down to defeat. And if there's enough things like that that come in next election, you'll be sleeping outside and the people of Manitoba will get responsible government. This is all we're trying to, say so if you're for it don't say that we're attacking you, that we're trying to misquote you, because we've read what you've said; we've got the editorial from different newspapers, the Free Press and the Tribune; and we're giving you proof that this has worked in England, and we're telling you that when you suggest that it's not working in B. C., that you're wrong, that you haven't taken the trouble to learn what's going on in B. C. because it's not the same thing at all. So you're welcome if you want to come in with us, and if you want to take the credit, just stand up and tell us now that you'll make an amendment, we'll forget about it and the people of Manitoba will be well served.

MR. LYON: I was just going to rise on a point of order because I thought that this matter had perhaps exhausted itself when the Minister made his comments. But as I apprehended, the purpose of the Committee of the Whole for third reading is to deal with Bills, section by section. I'm not aware of the particular matter that's under discussion as contained in this Bill, although certain notice has been given by the Minister with respect to it. I would suggest that particularly in the light of that notice that if there is some desire of the House to discuss the matter under question, the Minister's indicated that there's going to be legislation in which that can be discussed, that we should perhaps get on with the business of the dealing with The Highway Traffic Act which is the purpose in which we find ourselves in Committee of the Whole, at the present time.

MR. CHAIRMAN: ... as I was going to say before the Attorney-General rose, that there is a resolution on the Order Paper referring to breathalyzers. There's nothing in this Bill that I have before me referring to breathalyzers and I see no point in this discussion going on any further. ... the discussion over what the Minister has said or what he didn't say, and we're

(MR. CHAIRMAN cont'd)...getting nowhere.

MR. SIDNEY GREEN (Inkster): But, Mr. Chairman, with a great deal of respect and I think that the ruling is possibly a logical one except for what has transpired during the last half hour, and I would merely - in other words you have had, you have had considerable discussion on this issue and I think that I should be permitted to make a short statement on the position of this group in view of the discussion that has been allowed to the Minister and to the people who have just spoken. I undertake to be brief if that will in any way soften the Chairman, to permit my remarks.

MR. CHAIRMAN: If you'll proceed briefly.

MR. GREEN: Thank you very much, Mr. Chairman.

Mr. Chairman, I understood from the discussion that has taken place that the Minister has indicated that there will be another Bill on the Highway Traffic Act in which legislation will be introduced with respect to the breathalyzer. Am I correct in assuming that from the discussion that has taken place? ... the Minister is nodding his head.

Well, Mr. Speaker, I would merely like to say that the position of this group is that the correct place to deal with breathalyzers, and we're happy that the Minister is dealing with it in this way, is under the licencing authority of the statutes. We feel that the Minister should not be too much blamed for considering the difficulties that are involved, which is apparently what is now being thrust at him. There are difficulties. The importance of the objective of reducing the mayhem on the highway would compel someone to try to overcome these difficulties, but there's no reason why they shouldn't search them and I have indicated on a previous occasion, Mr. Chairman, that the resistance that I personally would have, would be to it being a criminal offence to refuse to breathe into a tube - and this apparently is what is taking place in Ottawa. They are passing legislation, or they are proposing legislation which would make it a criminal offence for which one would have a criminal record for the mere refusal to breathe into a breathalyzer.

Now, our position, Mr. Chairman, is that the driving the car on the highway is a privilege for which the Provincial Government grants a licence; that this is the same as the licensing authorities, let us say, for many other types of endeavours, and the licence can be conditional. And our position is that if a citizen in Manitoba is to be granted a licence, he should in some way undertake, to submit himself to a breathalyzer test in proper circumstances. Well, Mr. Chairman, that can only be done under the licensing authority and if the Minister is bringing in legislation with regard to this test, and if the legislation is to be intra vires of the province, then we would assume that it must be being brought in under the licensing authority which would, in our opinion, be the right place for it.

So I would commend the Minister for, not only his soul searching, because I think it requires some soul searching; I don't think that it's necessary that one immediately seize upon what appears to be, to some people to be obviously legislative, I would commend him on his soul searching, and I would further commend the government if it proposes to have this breathalyzer requirement under the licensing provisions of our Provincial Highways Statute, rather than making it a criminal offence.

MR. CHAIRMAN: (Sections 5 to 11 were read and passed.) Section 12 as amended --

MR. CAMPBELL: What is the amendment there, Mr. Chairman?

MR. CHAIRMAN: And subsection 4 of section 86 does not apply to such a by-law. 12 passed --

MR. CAMPBELL: ...heard the discussion on this in the Committee, but it's just slipped my mind for the moment. What is subsection 4 that does not apply?

MR. McLEAN: Mr. Chairman, subsection 4 of Section 86 of The Highway Traffic Act requires signs in respect of all rules made by a local authority. It says, "Made known to drivers by traffic control devices or by peace officers". Now, when we originally drafted the section which is in the Bill, we thought that it was quite clear but at the request of the or suggestion of the solicitor for the City of Winnipeg, we're saying specifically that this subsection does not apply. It's a sort of a double precaution I suppose one would say to make it quite clear that traffic signs are not required.

MR. CAMPBELL: That's the one that sort of makes it doubly certain that they don't have to erect the signs. Thank you.

MR. CHAIRMAN: (The remainder of Bill No. 37 was read section by section and passed.) Committee rise. Call in the Speaker. Mr. Speaker, the Committee of the Whole has

(MR. CHAIRMAN cont'd)...passed the following Bills Nos. 2, 3, 4, 5, 6, 10 and 37, directed me to report the same.

IN SESSION

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield that the report of the committee be received.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. SHOEMAKER: I beg to move, seconded by the Honourable Member for St. Boniface, that the report of the Committee be not now received with regard to Bill No. 37, an Act to amend The Highway Traffic Act, but that it be referred back to the Committee for further consideration with regard to breathalyzer tests and for the inclusion of such tests in the Act.

MR. LYON: I think there's some question as to whether or not this particular amendment would be in order for two reasons, one of which you will not be aware of, not having been present in the House. The Minister during the course of the committee stage on The Highway Traffic Act gave some notice of the government's intention to bring in a bill that would deal in part with the matter that was stated in the amendment. Secondly, there is also of course a resolution on the Order Paper dealing with the same subject matter at the present time. So I suggest that there is some question as to whether or not this may be in order, and perhaps - I'm not suggesting of course at all, Sir, what your final decision should be, but it is perhaps a matter that you would wish to take under consideration.

MR. MOLGAT: ... don't believe that it is out of order, because I think it would have been in order for example for someone to move an amendment during the discussion of the bill on the question of breathalyzers. Anyone could have added to the bill that's before us, anything that is pertaining to The Highway Traffic Act. ... it's part and parcel of the Act you could move an amendment in the committee stage. And so if it is feasible to move an amendment at the committee stage, surely it is feasible to recommend that the Bill be returned to the committee for study, or for holding there, which is what I had suggested to the Minister in the first place when I spoke on the subject, that if it was the intention to do something, then let's leave this bill stay in committee, which is what we are proposing.

MR. PAULLEY: Mr. Speaker, if I may make an observation on the point of order that is raised. It seems to me that from all of the discussions that we've had in the House on the question of breathalyzer tests, we're all concerned that the matter be considered in a proper manner or that some legislation be proposed at this session dealing with the question of breathalyzers. The Minister this morning in committee indicated that the legislation would be forthcoming - I presume at this session - dealing with the matter one way or the other. My point would be, Mr. Speaker, to draw to the attention of the House one of our rules, being that if a matter is considered then it can not be reintroduced again. Now it could well be, Mr. Speaker, and I appeal on this basis to members of the House, that if this motion is presented, and adopted and - rather defeated, then, by the government, or by the majority members within the House, that will preclude, if I understand the rules correctly, it would preclude the Honourable the Minister of Public Utilities introducing a measure dealing with breathalyzers' tests which would in effect defeat the purpose of all of the members, as I understand it, in the House to have some types of tests adopted. And I would like if the honourable members would just take this point into consideration, because that is the rule of the House, if this motion is presented and defeated it would preclude us from proceeding an adoption of any legislation, I would respectfully suggest under our present rules to bring in legislation on the breathalyzer tests. I wonder whether there may be some observations on this point.

MR. MOLGAT: Mr. Speaker, the only point that we are trying to make quite frankly in this is what I had suggested to the Minister, that the bill remain in Committee, and then the Minister can bring forward his amendments and this is all that we are trying to do. What I am concerned about quite frankly is that the Minister has said something, that he's going to do something, but the House doesn't know what he's going to do. And we may find if we pass this Bill through that he's not going to do what the House wants. We've had this before in the case of the denturists for example -- my honourable friends promised us concurrence, we're still waiting for it, so all...

MR. SPEAKER: I appreciate the opinions of the honourable gentleman and I appreciate the sincerity of the Honourable the Member for Gladstone, and I think in being fair to myself

(MR. SPEAKER cont'd)... and being fair to the House, I would like to read what has gone before, and therefore I will take this matter under advisement for the time being.

MR. LYON: ... we are left then, Mr. Speaker, with the report of the Chairman to yourself, Sir, as an open item on the Order Paper, and in that case then the next order of business that I would ask you to call, Sir, would be the Committee of Supply.

MR. MOLGAT: ... Mr. Speaker, if we've no objections to the other bills, can the report be passed through?

MR. EVANS: No, I'm afraid that the amendment is an amendment to the whole report and it has the effect of delaying all of that other legislation.

MR. SPEAKER: The whole matter will be held in abeyance.

MR. MOLGAT: The amendment is to do with a specific bill, Mr. Speaker.

MR. SPEAKER: Order, please. The Provincial Treasurer.

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, 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 Arthur in the Chair.

### COMMITTEE OF SUPPLY

MR. CHAIRMAN: When we last sat in Committee of Supply we were on Resolution 53(b) —passed —

MR. PAULLEY: ... one question I would like to reply to from the Honourable Minister if I may, Mr. Chairman. It dealt with the attitude and approach to the federal authority, or Air Canada in respect of the employees of Air Canada in Greater Winnipeg.

MR. SPIVAK: Mr. Chairman, I intended to answer that question. I intend to answer that question.

Mr. Chairman, I will arrange with the Clerk to have the rebuttal prepared by the Province of Manitoba on a report of the Commission of Enquiry on the future of Winnipeg Air Canada Overhaul Base forwarded to all the members. This is our rebuttal to the Thompson Commission Report.

I'd like if I may just deal in connection with Air Canada by referring chronologically to what has taken place since October of last year, that is October of 1967, when the Honourable Paul Hellyer, Minister of Transport attended in Winnipeg and met with the Premier and the Manitoba Air Policy Committee. At that time he indicated that the Federal Government would live up to the commitment made by the Prime Minister that the Air Canada Overhaul Base would remain until 1973. He also re-appraised the situation and he also indicated that a Federal-Provincial working party was to be established to ride herd on those having decision-making responsibilities.

As a result a working party was formed consisting of the Deputy Minister of Industry and Commerce, Mr. Lorne Dyke, the Counsel for the Province of Manitoba, Mr. Arthur V. Mauro, Q.C., Mr. Conroy from the Department of Transport, and Mr. Rayner from the Department of Industry. After several negotiations the working party met on January 9th of this year, 1968, and on that occasion they determined the two possibilities that could arise which would allow the commitment of the Prime Minister to be fulfilled. One was the way in which Air Canada could continue; the second was possible alternatives which could include Air Canada as well as private industry. And at that time the government representatives presented the arguments that had already been indicated of our belief that Winnipeg could remain as a regional air centre, servicing the short and medium range jets and that Dorval could be enlarged and could remain as a service centre to in fact take care of the long range jets, particularly the new overseas jets that will be in operation in a few years.

Since that meeting there have been several discussions and informal discussions with the Federal Department of representatives in Ottawa and in Winnipeg, and the working party committee will be meeting at the end of this month. I would hope that we would call a meeting of the Liaison Committee of the Manitoba Air Policy Committee, and that following a Liaison Committee meeting that we would perhaps be able to call a full meeting of the Manitoba Air Policy Committee. I would hope that we would be in a position to have information to give both to the Liaison Committee and to the Manitoba Air Policy Committee.

(MR. SPIVAK cont'd.)

And I may say very briefly, Mr. Chairman, that there is a commitment on the part of the government to do everything necessary to see that the commitment made by the Prime Minister is lived up to and that in fact the Air Canada facility remains either as an Air Canada facility, or as a jet capability facility, employing the people who are now here and others who will in fact be added to it if the facility is capable of staying here and being enlarged to take care of the new advances made in the air industry.

MR. PAULLEY: Mr. Chairman, ... observation I would like to make of the last few sentences of my honourable friend's reply to my questions, if I understood him correctly he spoke of the possibility of the retention of the facility here, either as Air Canada or some other organization with the protection of the employee rights, or protection for the employees. I'm sure my honourable friend is aware that insofar as the employees are concerned, that if it's not Air Canada, their rights aren't really protected at all. And it's only in an Air Canada complex that the rights of the members who belong to the respective trade unions will be protected. And of course our main fight throughout the period of conflict has been for the retention of the facility here in Greater Winnipeg as a part of the complex of Air Canada, and with the rights of the individual employees retained without the necessity of having to transfer to Dorval in the Province of Quebec.

Now it seems to me that if the policy of the government, as suggested by the Minister just now is - it must be changing somewhat; that the fight previously was insofar as retention of Air Canada. Now from what my honourable friend has indicated in his remarks just now, that that actually is becoming more or less secondary to just holding something here, and this in my opinion wasn't the reason that I - it certainly wasn't the reason why I went down to Ottawa for two or three times that some buildings may be retained but our trained personnel would not be forced, as they were being forced, into moving down to Quebec.

MR. SPIVAK: Mr. Chairman, may I simply refer back to the fact that the Prime Minister's commitment was that the Air Canada Overhaul Base or — and I haven't his exact words, but my understanding, or an alternative to the Air Canada Base would remain until 1973. And the reiteration by the Honourable Paul Hellyer was in this connection. It's our submission to the Federal Government and the working party that the Air Canada Overhaul Base remain. However we are aware of the fact that the Federal Government had taken a position that an alternative which would in fact either incorporate - which would utilize the base and either use Air Canada either in part or in whole, is a consideration that they must undertake to be an alternative to fulfill the commitment of the Prime Minister. And so far as we're concerned we are concerned with maintaining the industry here; with maintaining the pool of skilled labor that are here, and allowing the people who are part of Air Canada to remain in Manitoba. And our main purpose is to see that the facility remains.

We cannot force Air Canada to do anything. We can make our recommendations to the Federal Government — and I'm not so sure that the Federal Government can force Air Canada to do something. At least the position they've taken is that they can't. So in our approach with the Federal Government we are working with them to see that the Prime Minister's commitment is lived up to.

MR. PAULLEY: ... observation of the last remarks then. If my honourable friend says we can't really in effect do anything about it insofar as Air Canada, and he questioned whether or not the federal authority could do anything with Air Canada, then the commitment, I would suggest to the Prime Minister, that is the present Prime Minister, if he's still the Prime Minister, to hold the base until 1973 is worthless, if they can not impress or have some influence on Air Canada, the commitment then I would suggest has no validity or base.

MR. SPIVAK: Mr. Chairman, a commitment was made by the Prime Minister and I suspect that he could have the degree of influence to ensure it.

MR. PAULLEY: ...

MR. SPIVAK: I did not say that, I simply suggested to you that insofar as the province is concerned, we can not, we can not be responsible, that we can not — and believe me if we had the opportunity to be able to tell Air Canada what to do, we would tell them what to do. We can't, and I think you are aware of this as well.

But there was a commitment made by the Prime Minister, and I would assume that he made the commitment with full knowledge of his legal ability, and on that basis I would assume that he can do the things that are necessary to make that commitment lived up. But the

(MR. SPIVAK cont'd.) . . . . commitment did not just deal with the retention of Air Canada, it dealt with the base and an alternative to the base, and there's no doubt that the Federal Government is considering this matter as well.

MR. PAULLEY: One further point, Mr. Chairman. Can the Honourable the Minister give us any indication of how soon will the Province of Manitoba be making direct representations to the incoming Prime Minister to see whether he would confirm the commitment given by the outgoing Prime Minister, because as the Minister of Industry and Commerce has indicated, Prime Ministers apparently have some power, whereas Provincial Cabinet Ministers and Premiers do not.

MR. SPIVAK: It is my intention to write the Minister of Transport when he has announced the new Cabinet, the new Prime Minister, and as well I would assume that the First Minister will contact the Prime Minister.

As I have indicated the working committee will be meeting before the end of the month and on that occasion I would hope that we would have sufficient information to give us some idea of the direction that this is taking, and on the basis of that we will be able to take whatever course of action is necessary. We will be calling the Liaison Committee and we will be reporting directly to them. This is in the matter of the next week or ten days.

MR. CHAIRMAN: Resolution 53 passed. Resolution 54(a)-- The Member for St. John's.

MR. CHERNIACK: I've been waiting for this item, and as I've been looking at the heading I've come to think that possibly I should have been asking my questions under (5), but I'll ask them, that is under Resolution 50. But I'll deal with it here and possibly the Minister could elaborate slightly. I would like to know what is the estimated actual for the year which ended March 31, 1968, that is a breakdown of the left hand column on the base of estimated actual. I'd like a breakdown of the nature of the other expenditures and the number of salaries paid for this present fiscal year, and I'd like to know if that relates back to the quarter of a million dollars and more involved in item 5. In other words, are they completely separate or is there some relationship in the research involvement, and if so, could there be elaboration, and if the chairman will permit, could the Honourable the Minister give us some information of a similar nature about item 5 without transgressing too much on the time of the committee.

MR. SPIVAK: Mr. Chairman, I wonder if I could just ask a question, I'm not sure. You are suggesting that item 54 is contained within, or there is possibly some duplication with item (c) or item 50. Is that correct?

MR. CHERNIACK: I'm not suggesting duplication at all. I'm asking whether the work involved in these two items is related and if there's any co-ordination between the two. I'm not suggesting duplication.

MR. SPIVAK: Yes, it is related and there is some co-ordination. Now do you want me to deal with this in some detail?

Item (a) of 54 deals with salaries, and this has to do with the staffing of the person in charge of the Manitoba Research Council and the clerk typist. This is the salary range, there is one individual, and his co-ordination is of course with the item 50, co-ordination to this extent, that in effect he is the initiator of programs and of information being forwarded to concerns who may be interested in information that has been forthcoming or obtained as a result of the contacts made or enquiries made by the individual concerned who is in charge of the Research Council; and in addition, he co-ordinates the answers and information to be supplied to questions that may arise as a result of the operation of the other branch and the involvement of the other people with the various industries where enquiries may be made for new technology, new products, some specific research information which is required and which they do not have themselves, and which they co-ordinate by simply making enquiries from him.

Now this is very simply what happens. In other words, he is in charge of this aspect. He initiates his programs - and in fact I have a fairly large list of programs that are carried out, the information that's been forwarded, the requests that have been made. Some of the requests come directly to him, some requests come to the other branch. They are then forwarded to him and he in turn furnishes the information, meets with the individuals who request the information, and in turn he initiates, as a result of the information that is made available to his office, specific information being provided to individuals, concerns, who may benefit as a result of some new advances that may have been made. If you would like, I could

(MR. SPIVAK cont'd.) . . . give you a few examples of this.

MR. CHERNIACK: No, at this stage, Mr. Chairman, I am still interested — this person has in his budgetary control of the item on resolution 50, that is the expenditures of some \$380,000.

MR. SPIVAK: Not at all, no, no, not at all.

MR. CHERNIACK: . . . works with them, who is in charge of that portion of the budget? Who looks after the disbursing, the authorization for the expenditures of research and special investigations, etc.?

MR. SPIVAK: The director of that branch.

MR. CHERNIACK: Is this Research Council person under the director?

MR. SPIVAK: No, the Research Council is Director of the Research Council.

MR. CHERNIACK: All right then, if the Minister could give us the estimated actual for the year ended and the current year, then that plus information as to how often the Research Council has met in the past, and who is the person and what are the qualifications of the director, whatever he is called, I think I would be satisfied.

MR. SPIVAK: You want to know the exact — I'm not sure, I do not have the figure of what was spent last year. I can tell you, I don't quite understand what you are suggesting.

MR. CHERNIACK: Shall I ask my questions more precisely? Firstly, who is the person referred to and what are his qualifications?

MR. SPIVAK: His name is Mr. McMurtrie and I'll just give you his qualifications. Well his name is Mr. McMurtrie — unfortunately I don't seem to be able to find this as quickly as I thought — but I'll have that information, I'll have the qualifications for you.

MR. CHERNIACK: All right, then the other information . . .

MR. SPIVAK: Excuse me, his name is J. L. McMurtrie; he has a Bachelor of Science from the University of Manitoba; and he has been 17 years in the Department of Industry in various responsible positions.

MR. CHERNIACK: Did I understand the Minister to say that he does not have the approximate actual for the year which has just ended?

MR. SPIVAK: Well, I would assume that the budget of the department was used last year — yes, I would. I do not have the actual money.

MR. CHERNIACK: Was it all spent?

MR. SPIVAK: Yes, I'm suggesting that I believe it was all spent.

MR. CHERNIACK: Was it overspent?

MR. SPIVAK: No, I do not believe it was overspent.

MR. CHERNIACK: All right then, could we have some sort of a breakdown as to the nature of the expenditures, not necessarily as to amounts but as to some concept of them.

MR. SPIVAK: Yes, the amount was spent last year on the basis of the travel expenses of the director, the various publications that were subscribed to, for information and the research and investigation, particularly the space age study which is now in the process of being completed and which I have already referred to in my programs for the coming year, and in addition on research and development grants that I also referred to, which was an extension of the TAG grants but in the research field.

MR. CHERNIACK: May I ask what portion of this would be the travel expense?

MR. SPIVAK: \$6,000 — that is not travel, but travel, publications, printing, stationery, office maintenance, etc.; \$49,000 was in research and investigation.

MR. CAMPBELL: Mr. Chairman, I would like, in connection with that same item, to get from the Minister the breakdown of the item that is shown in the Public Accounts as fees, twenty thousand-odd on fees.

MR. SPIVAK: I do not have that information. I'll have that information shortly. I believe that this is in connection with the study itself, but I'll have it.

MR. MOLGAT: Mr. Chairman, I wonder if we might ask the Minister to give us some more detailed information, not at this stage but in next year's report. In this year's report, for example, he has a breakdown of the structure of the department and he shows three of these branches, like the Manitoba Export Corporation, the Manitoba Design Institute, the Manitoba Research Council, as being three specific areas. Now one of these, the Manitoba Research Council, appears here on our estimates. The Design Institute does not nor does the Export Corporation. Now is there a reason why — I don't understand why the structure is that way.

(MR. MOLGAT cont'd.)

Now, when we come along into the detailed information in the report itself, the Export Corporation for example gives us a statement of expenditure and an audited statement of exactly what they have done with their funds. The Design Institute does not do so, but gives us — no, the Export Corporation as well gives us a very extensive report on what they have done, export assistance to the various groups and so on, and then when we come to the Research Council, the information is rather sketchy. There is no financial statement at all in the report, and I wonder if the Minister could undertake, in future for these various branches, to have that. Now could he also tell me why it is that one of these three branches appears in estimates as a separate section and the other two don't?

MR. SPIVAK: Mr. Chairman, I think that the question by the Honourable Leader of the Opposition is a good one and I think that it is misleading in suggesting that the Research Council is independent of the estimates, because it deals specifically with the Research Council which is the Manitoba Research Council. I think that in effect the heading should be the Research Department, of which the Research Council is part, but I think that the comment is a valid one. I think this is a matter of following the previous year's organization of the estimates and I would suggest that this matter will be taken into consideration so that it will be properly presented to the House, so that there won't be any possibility of misleading the House in any way with respect to its function.

MR. MOLGAT: Could the Minister also tell us the manner in which the Council operates? The report here doesn't give us really a great deal of information, it seems to me. Do they go out and contact firms or do they wait for firms to contact them, and what method is there for advising people in Manitoba as to what the Council is prepared to do for them and what can it do for them?

MR. SPIVAK: Well, it's a combination of two. Essentially though the effort is initiated by themselves, that is to say they themselves contact industries who particularly they think would be concerned or interested in some aspect of some new development they may be aware of as a result of the compilation of information and the forwarding of information and the contacts made outside the province in the various publications where new information or some additional advance in any kind of technology may be available. There is a Technology for Industry bulletin that is published and this is sent to almost all manufacturers in Manitoba, and in that it indicates new specific details about a particular activity and in turn it indicates the federal programs, the availability of the programs of the department, and any new information that could be of interest to Manitoba manufacturers in the hope that this would be -- and request as a result of this that information be requested of the department. I can say that last year there were approximately 50 or 60 direct enquiries from Manitoba concerns as a result of the bulletin, and the bulletin itself is published approximately every six weeks and is sent to the industry itself. If you'd like, I'll have a copy of the bulletin arranged to be forwarded to you.

MR. MOLGAT: I would appreciate it if the Minister would. Does the bulletin cover all of the various assistance available to business in Manitoba? In other words, is there one brochure that gives the full information to a Manitoba businessman as to the kind of help he can obtain from the Manitoba Government.

MR. SPIVAK: Yes. You've asked whether there is one brochure. There are periodicals and publications that are sent out which indicate the various kinds of activities and I'll try and compile this and have this forwarded to you — to all the members of the House.

MR. CHAIRMAN: Resolution 54—passed. Resolution 55—

MR. EARL DAWSON (Hamiota): Mr. Chairman, under the Manitoba Development Fund there is so many rumors because of the secrecy of the Fund that I think that we should be doing something about opening the operations of the Fund up. Now the latest rumor that I have heard is that the Brandon Poultry Plant at Brandon is closed up, and from the information that I am able to gather, there's \$397,000 from the MDF in the Brandon Poultry Plant, and when one thinks that there's \$400,000, approximately \$400,000 is the taxpayers of Manitoba money, it makes one wonder why we can't get more information on the workings of the Manitoba Development Fund. We've heard rumors in the past. I wasn't sitting in the House but I read in the paper about Friendly Family Farms; the latest one we have, Churchill Forests; and now this one that I've just mentioned at Brandon.

So it is for that reason that I would like to move this resolution at this time. It is moved

(MR. DAWSON cont'd.) . . . . by myself, and seconded by the member for La Verendrye, and it reads as follows: "That the motion be amended by adding thereto that the Chairman and General Manager of the Manitoba Development Fund be asked to appear before the Public Accounts Committee of this House for questioning on those matters relative to the operations of the Manitoba Development Fund and relative to the loans made by the Manitoba Development Fund (which are not specifically excluded under The Manitoba Development Act).

MR. CHAIRMAN: I think members of the committee are aware that there are actually - and this is off the top of my head right now, the Clerk is looking it up here - but there are only two resolutions that may be entertained by the Chair. One is that the Chairman of the committee rise and the other is that the amount of any resolution or item before us may be reduced. This motion relates to neither of these two so I have to rule the motion out of order.

MR. MOLGAT: Mr. Chairman, isn't it correct that any motion that can be made in the House can be made in committee? Is that not in the basic rule?

MR. CHAIRMAN: I don't believe so. I have here Beuchesne, Section 242, Subsection (2): "The only motion allowed when a resolution is under consideration of Committee of Supply is that the amount be reduced or that the Chairman leave the Chair." The motion is out of order.

MR. MOLGAT: Mr. Chairman, this still leaves us then in the position -- there is a great deal of concern throughout Manitoba about the funds that are being used in the Manitoba Development Fund, and I think that the secrecy surrounding it is part of the problem. I'm sure you're as well aware as I am, Mr. Chairman, some of the things that you hear across the province, and I don't think that these are helpful to the Fund itself; they're not helpful to industry; they're not helpful to the province. I'm not the one who starts the rumors; they are all over the province. They consistently come forward. My honourable friends would be much better off to give the full information; let the information come out and then the public would know exactly where they stand. The public are obviously concerned and have a right to do so; it's their money. It's not the government's money, it's public money. It's public money, the public have a right to know a great deal more than they do at the moment.

And when you have then the report of the Fund itself making statements such as the one this year for example, "To March 31, 1967, no losses have been experienced by the corporation", and yet we know that certain plants like the one for example in Sprague, Manitoba, has been sold twice now. It was not successful the first time; a new buyer came in - and we don't know what circumstances it was - and that didn't work out and it closed last July. Another buyer came in, the Minister promised us it would open in November, it still is not opened, and as far as we've been able to ascertain, a very sizeable provincial investment in that plant, something in the order of a million or a million and a half, and after two ventures so far it's still not in operation, and yet we have a report from the Fund that there have been no losses.

We hear for example, and I have one specific one, the Souris Producers Limited, who have spoken to me about their problems. They apparently owe the MDF something in the order of some \$65,000 which they obtained originally. They were to pay back on the basis of \$5,000 a year, but for the past few years they've made no profit and they now owe, according to their own figures at the 1st of April, 1968, \$15,004.04. They say they are unable to pay; they would want to have an arrangement made with the MDF so that the property will be put up for sale with the proviso that they would have the right to purchase it and protect whatever they can of their own investment because the local investment has been very heavy, at least \$75,000 raised locally. So we know that there are substantial arrears on that loan and yet we're told that there have been no losses.

Now these are the sort of things that cause people to not have faith in the operation, to be afraid. When they have a statement that there have been no losses and yet they hear about these various industries and difficulties - they hear about the Friendly Family Farms, and certainly the local investors out in Steinbach who were involved in Friendly Family Farms have lost a very substantial amount of money - when all this happens and they get a report from the Fund saying that there have been no losses, people just aren't prepared to believe it, Mr. Chairman. And I say to the government, you'd be much better off to give - not publicity on the operations of the companies themselves, no one is asking for that - but a clear-cut statement of the amount of money loaned to various corporations, the interest rate at which it's loaned, and the status of the loan. Surely people are entitled to have that much.

MR. CHAIRMAN: Resolution 55--passed?

MR. MOLGAT: Is the Minister not going to make any statement on that, Mr. Chairman?

MR. SPIVAK: Mr. Chairman, the position of the government is well known and it would appear to me that this is going to be a repeat, for the benefit mainly of the press, of the arguments on both sides. But if I may, I'd like to read an editorial of the Tribune dated December 16th, 1966. "The opposition in the Manitoba Legislature is trying to work both sides of the street. In recent years, Mr. Molgat and some of his followers have been crying doom and gloom. They have been telling the world that Manitoba is lagging behind the rest of the country in industrial growth. They have been shouting that Manitoba was losing people and that the province is head-over-heels in debt. The whole place is going to Hades in a handbasket, and they blame the Provincial Government for all the sorry things they say are happening. It's all the fault of the Roblin administration.

"When the government took steps to provide more jobs for Manitobans, the opposition immediately began to snipe. For example, when the government decided to build a power plant in Grand Rapids in order to spur northern development, the opposition made frivolous charges of excessive profits on a water-haulage contract. They hinted at corruption and mismanagement. The charges were proved groundless but damage had been done.

"The government set up the Industrial Development Fund to encourage new industries to locate in this province to help existing industries expand. The Fund was a factor in bringing in the huge Simplot complex in Brandon, and more recently in clearing the way for the forest industry complex for The Pas. Instead of welcoming these evidences of industrial growth, the opposition is now busy undermining the work of the Fund by hints of secret and even corrupt deals. This kind of political sniping is destructive and does a disservice to Manitoba."

MR. MOLGAT: Mr. Speaker, I'm pleased to see that the Minister requires the editorial writers to give his case; it shows the strength of his position that he cannot defend himself. I might point out that the rules of the House by the way do not permit the reading of editorial comments, but I didn't stop my honourable friend because I recognize he needs the assistance which he — (Interjection) — Well, if you read the rule you'll find ...

MR. EVANS: Well you find the rule that says that.

MR. MOLGAT: I certainly will.

MR. EVANS: That's a lot of nonsense.

MR. MOLGAT: However, my honourable friend requires obviously that kind of help to bolster his case and that's fine. I thought he had enough editorial writers in his own operation to do so.

Mr. Speaker, my honourable friends constantly come back to the same reply, that any time that someone in the opposition side questions something that the government does, that this is knocking Manitoba. That's their regular reply — (Interjection) — And it happens every time, every time that someone on this side says something, that's what they get behind. Well let me make it clear once and for all. The people we question are you, the administration of the Province of Manitoba, not the people of Manitoba. My honourable friend the Minister of Industry and Commerce the other day said that he knew what the problem was, it was the people of Manitoba. He doesn't have any faith in them ...

MR. SPIVAK: On a point of order, Mr. Chairman, I did not say that and I would like the Honourable Leader of the Opposition to refer to Hansard and to show me where I said that.

MR. MOLGAT: That's exactly what my honourable friend said at that time during the debate.

MR. SPIVAK: On a point of privilege, Mr. Chairman, I again repeat I did not say that, and I would ask the Honourable Leader of the Opposition to refer to Hansard and show me where I said it.

MR. MOLGAT: Mr. Speaker, I'll be glad to go back to the tapes and show exactly what happened, and I'll admit that my honourable friend was sitting down when he said it.

MR. SPIVAK: Mr. Chairman, in order to inform the Honourable Leader of the Opposition what I said, I said that Mr. Pentland said that.

MR. MOLGAT: No, that's not what the Minister said. He said the people of Manitoba. That was his position and we know where he stands, that the people of Manitoba are the ones who are at fault. Well, that may be my honourable friend's view; we don't think so. We have faith in the people of Manitoba; we have faith in Manitoba. We're convinced, but we don't have any faith in this administration. We have no faith whatever in this administration, Mr. Chairman, who after 10 years are continuing to repeat the same things and not producing. There's

(MR. MOLGAT cont'd.) . . . . the problem; a lot of talk and no action.

Now coming back to the Development Fund, Mr. Chairman, the problem there is that the people of Manitoba don't have faith because the government keeps the matter secret, and when they hear all these stories about various plants in different areas and difficulties in them, then they question even some of the very very fine things that have been done. It is harmful in that respect to the Fund itself. The Fund could do a better job if the people of Manitoba had more faith in it, and it's not by keeping it hidden that you're going to promote that situation in Manitoba.

MR. SPIVAK: Mr. Chairman, may I just point out. I have in front of me the Industrial Development Bank report. This is the Industrial Development Bank of the Federal Government; this is the Manitoba Development Fund. This report on the individual loans and the problems that the Industrial Development Bank have in financing developments right across Canada are not the subject of discussion or debate in the House of Parliament, for one reason and one reason only, because the Leader of the Opposition isn't a member.

MR. MOLGAT: Mr. Chairman, I don't quite get the point my honourable friend is making, but in any case today Ottawa happens to be a good source of reference - is it? Last night the Provincial Treasurer certainly didn't think Ottawa was good for anything but today they are a good one to use as an excuse. Well, my honourable friend can use that if he wants.

I come back to the point, Mr. Chairman, that there are a number of industries in Manitoba that have been in some difficulties. We know that they've had assistance from the Development Fund; the public knows it; and yet the report of the Fund tells us that there is absolutely no losses, everything's fine. The public don't have faith in that kind of reporting.

MR. SPIVAK: Mr. Chairman, I may point out that the Industrial Development Bank are involved in the creamery that was referred to before, and I doubt very much whether that loan or the problems that are involved with respect to the re-financing or the assistance or help will be a matter of subject discussion in the House of Commons.

MR. GUTTORMSON: Mr. Chairman, would the Minister tell us when a firm that has received financial assistance from the Manitoba Development Fund gets into difficulty and the Directors or the government allows this to be sold so much on the dollar, why this isn't done in public and let the other firms have an opportunity to bid on it?

MR. SPIVAK: Will you repeat your question?

MR. GUTTORMSON: I certain will. We've known of numerous firms that have had difficulty, run into financial difficulty and their assets have been sold by the Manitoba Development Fund for so much on the dollar. Can you tell us why this is not done publicly so other poor people could have an opportunity to bid on these firms?

MR. SPIVAK: The Fund acts in the same manner as other mortgage companies and other finance companies.

MR. GUTTORMSON: I can't hear you.

MR. SPIVAK: The Fund acts in a similar manner to other finance and mortgage companies and operates in the same way as others do in the commercial field.

MR. GUTTORMSON: That's the point, Mr. Chairman, they're operating with public funds. The people in Manitoba are entitled to know what's happening. The Minister feels that it's his own right to keep all this information to himself, and I suggest that this is not correct.

MR. SPIVAK: The only information that the Minister feels is that this should not be a political football to be argued back and forth for whatever political expedient may justify the discussion at the time.

MR. DAWSON: Mr. Chairman, I think in fairness to those of us on this side that I should point out to the Minister of Industry and Commerce after he read the excerpt from the editorial page from the Winnipeg Free Press of 1966 - the Tribune I should say - if he reads as much as what he leads us to believe, if he will read about three weeks ago both the Free Press and the Tribune had editorials on the Manitoba Development Fund and both of them said that the Manitoba Development Fund workings should be taken out of secrecy and let the public know what's going on. It ended up by saying, "After all, it's \$100 million of the taxpayers' money."

MR. MOLGAT: Maybe the Minister would like to read those to the House, Mr. Chairman.

The Member for St. George constituency has pointed out the type of thing that happens. Now the one mentioned to the Minister, the Souris Company - not the Creamery, the one in

(MR. MOLGAT cont'd.) . . . . Souris who has a loan from the government Fund - the Producers Limited. Now there's a case where the company, which is made up of local people, is quite prepared to have the Development Fund proceed with the sale of the assets. They recognize that they are in difficulties and they are prepared to proceed with the sale of the assets. What they are afraid of though is that if the sale is done on a private basis that it could be sold for any kind of price whatever and that they may not have the opportunity to recoup any of their own losses. They would like to see the situation where the assets are sold on an open basis, where the present investors, the present shareholders, if they felt that they could buy it at the going price, might be prepared to put up the money to buy it. But they are faced with the situation, they tell me, where the government simply wants them to sign a quit claim deed and give the government the full right to sell at whatever price the government gets for it, and they have no further say in the matter.

Now these are the sort of things that people get concerned about. They would like to have the protection for the people who started off originally. We have the same situation with Damascus Steel. We've discussed that company here in the House on several occasions in the past. The shareholders of that corporation certainly have the feeling that after having invested a great deal in it themselves, after putting a lot of work into it, after genuinely trying to develop an industry for the Province of Manitoba, that they were suddenly prevented from continuing their operation. They were looking for further financial assistance. They had been promised some further financial assistance; it was not forthcoming, and they felt it should. The plant was taken out of their hands and sold to someone else and they have no control at all on the second sale; they have no protection whatever so far as their own investment. It sold for whatever the government decided to sell it for and these shareholders don't even know what it sold for.

Now, the Minister can say all he wants, "well this is how business operates." But, Mr. Chairman, this is public funds. This is really a co-operative enterprise between industry on the one side and government on the other, but the funds that are being used are public funds. Surely investors who are in that position have a reasonable right to expect that they have a constant consultation with the Fund, and the assets will not be sold without really greater protection to them than would normally be given by a regular bank.

Now, I ask the Minister, in the case particularly of Souris Producers Limited for example, who have indicated I am told that they are quite prepared to have the government proceed and put the assets up for sale, is he prepared on the other side to negotiate with the present owners and decide with them whether the final price is a reasonable price at which to sell, and if the conclusion is that it is not a reasonable price, give the shareholders the right to buy it back themselves? The Fund would not lose anything by this, the Fund would get as much out of it as they will on another kind of sale, but it would be bringing in the people who have started the industry and giving them at least some protection for the money they have put in.

Now, many of these, and the two I've mentioned in particular, Souris Producers and Damascus Steel, were really groups of very small investors in most cases, Mr. Chairman. They're not great corporations; they're not people who have come from outside of the Province; they are local people by and large investing small amounts of money, people who really couldn't afford to put up any large amount of money and even the small investment they've put in has turned out to be, in many cases, a hardship for them, and they have the feeling that the operations of the Fund simply leave them out in the cold once their industries have found that they're in some difficulties.

Now, these sort of things, Mr. Chairman, do not lead to faith in the operation. They don't give the confidence in local areas that we need if we are going to get further local investors to put up money. And when you look at some of these operations, the amount of local money that has been put up, it is most encouraging, and these are the sort of industries that we have to be nurturing along. Now it may mean that in a number of cases it takes more time on the part of the Minister, more time on the part of the Fund. They have to sit down with these people and discuss their problems, give them a lot more advice possibly than you would with a standard big industry; but if we're going to maintain, particularly in some of our smaller centres, any kind of local industry, I think this is the kind of help that must be given. So I would like to hear from the Minister why that can't be done.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker.

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(MR. CHAIRMAN cont'd.)

Mr. Speaker, the Committee of Supply has considered certain resolutions, directed me to report progress and asks leave to sit again.

IN SESSION.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I beg to move, seconded by the Honourable Member from Springfield, the report of the committee be received.

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

MR. SPEAKER: It is now 12:30 and I'm leaving the Chair to return again at 2:30 this afternoon.