

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Friday, October 3, 1969

MR. BOROWSKI: Mr. Speaker, on a point of privilege, I'd like to, with the permission of the House, take this opportunity to offer an apology to the House and to the members of the TED Commission for the intemperate words that I said just before the House adjourned. I hope they'll understand that it was due to the prolonged session, that tempers are wearing thin and sometimes we say some things that we shouldn't say, and I hope that the people involved will accept my humble apology graciously.

MR. WEIR: Mr. Speaker, on behalf of the members of this side and in line with the request I made this morning, I'm prepared to accept the apology but certainly not the reasons, Mr. Speaker.

MR. PAULLEY: Mr. Speaker, I appreciate the remarks of both honourable members. Mr. Speaker, I believe that we have consensus of opinion that while this is Private Members' portion of the proceedings of the House, I scouted the members of the House as to whether or not it might be agreeable for you, Sir, to call the three readings on the three bills on Page 12 of the Order Paper. I believe we have consensus that this would be in order.

PRIVATE AND PUBLIC BILLS

MR. SPEAKER: Second reading of Bill No. 43. The Honourable Member for The Pas.

MR. RON McBRYDE (The Pas) presented Bill No. 43, An Act to incorporate St. Anthony's General Hospital, for second reading, and that the bill be referred to Law Amendments Committee.

MR. SPEAKER presented the motion. The Honourable Member for The Pas.

MR. McBRYDE: Mr. Speaker, St. Anthony's General Hospital at The Pas is presently owned and operated by a religious order that has a French name which means The Sisters of Charity, which I can't pronounce very well. The Sisters of Charity were incorporated in Chapter 103 of the Statutes of Manitoba in 1961.

At this time a substantial expansion program has been approved for The Pas Hospital and will involve a large expenditure. Because of a policy decision, the Sisters are not prepared to undertake this expansion program in their present corporate entity. The proposed bill contemplates the creation of a new corporation which would take over the existing hospital assets and would undertake the expansion program. We are informed that the existing hospital asset will be transferred to the new corporation for a nominal consideration and no actual sale is contemplated.

You will notice that the government and management of the new corporation is to be vested in the proposed Board of Directors who need not be members of the religious order. This is a substantial departure from existing corporate structures operating hospitals owned by religious societies. The present board will include two lay directors and the provision is made for the appointment of two additional directors, one of whom at least will be a lay person. It is hoped that the Board of Directors will eventually represent a balanced community viewpoint.

There is an element of urgency respecting the bill as we are given to understand that the tenders have been called in October and the contract will be awarded before the end of the year. If we do not pass this bill to enable the new hospital board to incorporate, then they will be unable to proceed with the expansion program.

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

MR. SPEAKER: The adjourned debate on second reading of Bill No. 40. The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, I'd like to inform you that I have examined this bill and considered it in every way I can as to how it will affect me when we come to the time of the vote. In the beginning, I questioned that the government would be underwriting a lottery which in simple terms is gambling. Then I go on to see, Mr. Speaker, that it's intended that it stands on its own feet and it is hoped that it will be a success. The corporation, with Cabinet approval, will decide how the earnings are to be spent. I would much rather, when the Honourable Member for Elmwood spoke, that he would have spelled it out a little bit more, but that be as it may. So far as the member is concerned, I felt in tabling the bill he had made a reasonable reservation. — (Interjection) — You know, Mr. Speaker, that crash we just heard a moment or two ago might spell doom to the bill. However, I do feel that the outcome of this lottery, the projects that will develop from it, will involve a lot of people and I, if it

(MR. BILTON cont'd.)... passes, would like to see it a success in that particular direction.

I know, Mr. Speaker, that already many thousands of dollars have been privately pledged to the success of our birthday next year. The province too is contributing and the municipalities of course are providing funds on a matching basis. This I feel, Sir, spells success for the gala event, and I know, Mr. Speaker, that you and I would like to see this an outstanding success and be reported around the world as something really worthwhile.

I feel from the efforts of the various organizations, municipalities, schools and so on, that somehow or other the physical evidence of that effort next year will be there for hundreds of years to come and those that follow us will realize that we cared and celebrated something that the pioneers started a hundred years ago.

Mr. Speaker, the First Minister rose in his place, and at one juncture went on to say that should there be a liability out of this lottery it was his hope that it would be written off by private subscription. I would suggest to you, Mr. Speaker, at this juncture we have no guarantee that private subscription would take care of it. The outcome would be that possibly at this stage of affairs that we could anticipate that probably public funds would have to take up the slack, and it is my feeling, Mr. Speaker, that should that take place there are many people throughout the Province of Manitoba who would object to it, and rightfully so. The Premier did say that he felt that the effort was worthwhile and he thought that everyone should become involved. I would be the first, Mr. Speaker, to agree with him wholeheartedly. In this regard I would hope it will be a success.

The Honourable Member for Crescentwood the other day intrigued me with his several suggestions as to what the slogan should be rather than "Going to Beat '70". He felt that some should be changed and he suggested one that struck me, was "Going to Beat Pollution". I wonder if the honourable member would add, with the passage of this bill, "Gambling to Beat '70". I, as you would appreciate, Mr. Speaker, can see many thousands of visitors coming to our province next year. Without them we can't hope for a success. I wonder what their reaction will be when we're selling them lottery tickets to underwrite this event.

You know, Mr. Speaker, I have knowledge from constituents of mine, and they say to me that lotteries encourage "something for nothing" attitude. And to some degree I agree with this, because as we all know, around and about in the provinces Bingos are very much in evidence, and I have time after time had constituents say to me: Why is it that people taking welfare can find five or six dollars a week to attend Bingos in the event of chance that they may win a little more. Again, Mr. Speaker, I would be the last in the world to suggest that those people that are on welfare shouldn't have a little pleasure out of life, but I certainly object, as many of my constituents object, to them using it in that manner.

It's also said, Mr. Speaker, with emphasis, that lotteries in the past have attracted and encouraged the criminal elements in our society, all in the interest of getting rich quick at the expense of the underprivileged who will go for a game of chance. However, Mr. Speaker, this be as it may, Ottawa has seen fit to open the gate to this form of gambling, and who knows where it will end. In my thoughts, and a little bit of research in this direction, it has occurred to me that England, the British I believe are the greatest gamblers on God's green earth, and I don't have to recite to the House today as to how prevalent it is over there, but I have yet to see or read where the government of Great Britain have sponsored a lottery. This, as we go along, Mr. Speaker, our province, it would seem, would be the first to enter this field with the adoption of this bill, which to some degree might be considered a reasonable effort to boost our birthday party, and I have no doubt that those that are sponsoring this bill visualize it will do a great deal in the interests of our birthday party.

This bill, namely the Centennial Lottery Fund Act, says what it means, and I for one, Mr. Speaker, should it win the approval of this House, will remain, and remain exactly there. In other words, Mr. Speaker, I would hope that the passage of this bill is not a signal for this House to sponsor lotteries from time to time should it be a success, and induce those in power to use it to raise monies in this way.

It has been the habit you know, Mr. Speaker, the last day or two, for people to dig into books and recite what other people have said in the past in this Chamber, and I likewise took that opportunity in this regard, and whilst I'm not going to go into any depth as the Honourable Member for St. Boniface did the other day, I did run into a few spicy little things that I thought I might mention at this time. You know, Mr. Speaker, while considering this subject of gambling, which is what this lottery is all about, my mind went to another day in the matter of the

(MR. BILTON cont'd.)... Horse Racing Commission that was being considered in this House. I wonder what the opinion of the present Minister of Finance - I don't know that he's listening to me, but I'd like him to hear these words - it's interesting to recall what he said, and I quote: "I suppose if not for gambling revenues in this province we would still manage to limp along." And further on in his remarks that day I thought it worthwhile to read what he said, and here again I quote: "I had the impression that this government" - and he was talking about the previous government, Mr. Speaker - "derives its revenue from sin, tobacco tax, liquor tax and horse racing participation." And I wonder what his comments will be a little later on, if he will add to that "gambling by lotteries". So, Mr. Speaker....

MR. CHERNIACK: May I interrupt?

MR. BILTON: No, Mr. Speaker, no. I've learned by practice not to let you get going when I've got the floor. -- (Interjection) -- It's in my writing. If you want Hansard, the Page is 278, March 4, 1965. You'll be able to read it in Hansard as everyone else will. -- (Interjection) -- Here we go, you're trying to confuse me, but you won't get away with it. I realize, Mr. Speaker -- (Interjection) -- What did you say?

MR. MILLER: Are you for or against?

MR. LAURENT L. DESJARDINS (St. Boniface): He hasn't made up his mind.

MR. BILTON: Again I must advise the Honourable Member for St. Boniface, Mr. Speaker, he's on my left side, on my blind side or my deaf side, and I can't hear a word he says. So if I may continue with,...

MR. DESJARDINS: On a point of privilege, he's absolutely right because I didn't say a word. It was the Minister of Education.

MR. BILTON: It's quite all right with me. I thought I was on the right track because he has been a good friend of mine for many years, and when I made a target of him I thought he'd rise to the occasion and ride with it. But anyway, that be as it may, the Minister of Education, you're at fault. However, we'll carry on.

Mr. Speaker, I realize the current effort, and the thoughts of those people behind this bill has far-reaching effects and could to a large degree mean a great deal to the Centennial throughout Manitoba this coming year. I'm trying to emphasize that point, Mr. Speaker, because of the fact that I'm not too sure in my own mind. I don't think there's a member in this House that isn't going to give this the serious thought that it deserves - none of us. I feel none of us would be any party to gambling, as such, or the promoting of gambling as such for the well-being of our people. I am, Sir, I am looking forward to every member of this House expressing his views, and it is with this thought, Sir, that for the present I have an open mind as to whether or not we as legislators should involve this Parliament in the field of gambling, because that is exactly what we will be doing. I am anxious to hear more detail at the hands of those responsible at the committee stage before making up my mind as to exactly how I'll vote.

MR. CHERNIACK: Mr. Speaker, would the honourable member permit a question?

MR. BILTON: Yes.

MR. CHERNIACK: Has he expressed an opinion on whether or not it was proper for the province in the years he's been here to derive revenue from horse racing? I didn't quite catch his approach to that.

MR. BILTON: I again have an open mind on the matter insofar as horse racing is concerned.

MR. CHERNIACK: Did the honourable member vote on that item?

MR. BILTON: Did I what?

MR. CHERNIACK: Did the honourable member vote on that item at the time when he was sitting as a member of the Legislature?

MR. BILTON: Certainly. I certainly did.

MR. CHERNIACK: In favour? Well then, one other question if I may. I wonder if the honourable member would lend me his speech, and I would try to speak today if I can on it.

MR. BILTON: Mr. Speaker, I have never heard of such a thing in all my life. I certainly have no intentions of giving my notes to anyone. They are my own private property, and if the honourable gentleman wasn't listening to what I had to say and couldn't reply to what I had to say, that's his baby, not mine.

MR. DESJARDINS: Mr. Speaker, I wonder if the honourable member would permit a question at this time? After the speech that he made, is it his intention to duck the vote on this?

MR. BILTON: No.

MR. DESJARDINS: He doesn't know if he's for or against.

MR. BILTON: Mr. Speaker, I realize your problem and I should sit down. This is the sort of thing that you gave us a little lecture on the other day, and the Honourable Member for St. Boniface knows better than I do that this questioning, continual questioning is not complementary to the better business of the House, so therefore I have no opinion on what he had to say.

MR. DESJARDINS: I'd like to know what your opinion is on the bill.

MR. BILTON: The gentleman can talk to me in the hall any time. The business of the province must go ahead.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, by all indications it appears that we're going to have a real good debate on Bill No. 40.

I listened when the Honourable Member for Elmwood introduced the bill when he made reference to when we amended the Liquor Act and the Sunday sports and so on, and I had very little trouble in making up my mind which way I should go, and I was quite enthused at that time to support the Sunday sports, and as well the extension of the liquor legislation. But in this bill I do have some reservations. However, I wish to point out at this time that I will support the bill to go into Committee, and I still feel that I will vote for it on third reading as well.

I do have reservations and I wish to point them out at this time. Mr. Speaker, it may be that we have lotteries. The Mayor of Montreal, Mayor Drapeau, and the Mayor of Winnipeg has been pressing for lotteries for quite some time, and I wonder if this bill passes that within a year or so that the Mayor of Winnipeg will get his wish and will have lottery in Winnipeg. Because if this is the case, then what happens to some other cities in Manitoba such as Brandon, Dauphin? They will probably push for some sort of lottery, some sort of way to raise money, and this is some of the reservations that I have, Mr. Speaker.

I know that this bill perhaps is in a little different way than just to raise money, but I wish to mention at this time the two states that have implemented this type of legislation to raise money, New Hampshire and New York, which did not succeed as much as they expected because they did run into trouble and it didn't succeed in raising the amount of money that the two states expected it.

For some reason it has become the impression of many people that gambling, for instance in Nevada state, brings in a great amount of revenue. Mr. Speaker, the research that I was able to do is quite the opposite. In fact the three percent sales tax in that state raises much more revenue than all the revenue tax that is produced by the lottery and all forms of gambling in that state.

Mr. Speaker, the proponents of lottery also refer to the success of perhaps the Irish Sweepstakes and so on. I would like to point out that the Irish Sweepstakes are a private enterprise - a private business, and the end result is that the hospitals end up somewhere between 10 and 19 cents on a dollar and that's all. So it ends up with very little revenue.

I would have been much happier if the Member for Elmwood would have given us some indication as to what form the lottery is going to be, what amount or the prizes were going to be, and I think it would have been much easier to this House, I'm sure. But the Centennial Corporation must have some indication and some idea what they have in mind, because it's quite difficult to just vote on this bill if you don't know. What happens if the Centennial Corporation is not able to meet the prize that they wish to offer? Will the Legislature be responsible to raise this money in case the lottery is not successful? So I would have been much happier if the member would have given us much more information than he did when he introduced the bill on second reading. -- (Interjection) -- Not very many.

Mr. Speaker, I believe lotteries as a means of financing social welfare and other programs to keep tax rates low is not a good argument, because as I've pointed out, up to the present time there's no such proof that that is the case. I'm told that lottery by its very nature has the greatest appeal to those people in the poorest circumstances. I may say that argument against lotteries is in part moral and in part economic. Lotteries are not only an expensive way to raise money, but also counter to the concepts of progressive taxation which has been pushed by the present government. I think that lotteries do have the greatest attraction to the people in the poorest income bracket, and of course this may lead to many more social problems. The chief sufferers in this case are naturally the mothers and the children.

Mr. Speaker, the second point that I wish to make at this time is that somehow I believe that lottery serves to camouflage the true cost of public service and to encourage the

(MR. PATRICK cont'd.)... "something for nothing" illusion. I think the argument that state lotteries would mean the disappearance of underground gambling or underground lotteries is I think misconception, because in any state that this has been the case, as a matter of fact it encouraged more gambling and more underground lotteries. I think it's fundamentally immoral to encourage the belief that people as a whole in gambling, as a source of family income, or games of chance for substitute or supplement of honourable business or producing jobs.

These are some of the points that I'm concerned about, Mr. Speaker. I think it was pointed out by Thomas E. Dewey, when he was Governor of New York, he said "the entire history of legalized gambling in his state and his country shows that it brought nothing but poverty, crime and corruption, demoralization of moral and ethical standards and a much lower standard of living and misery for many people in the States."

MR. DOERN: Would the honourable member permit a question?

MR. PATRICK: Sure.

MR. DOERN: Does the honourable member construe this bill as being a bill that would in effect legalize gambling in Manitoba?

MR. PATRICK: Well, Mr. Speaker, this may be the first step. As I mentioned, I'm prepared to support this bill, but if the mover would have given us more information to what extent, how wide the lottery is going to be and what type of lotteries, it would have been much better for most members in this House.

But I do have some concern and apprehension about the bill. On the other hand, I wish to say at this time that I think that the proposed legislation, as I see it, is not a continuous one and this is what is attracted to me because I think it's a type of a thing for a specific project, to finance a specific thing, and under those circumstances I'm prepared to support the legislation.

But in the first instance by having this legislation for a year, for the Manitoba centenary, what will happen next? Naturally the City of Winnipeg, and probably many areas, will insist that they have the same type of lottery, or in a different form, to raise money and this is the reservations that I have.

But on a happier note, I wish to point out that I think perhaps this type of lottery may make many Manitobans and probably many Canadians aware of our centenary, and perhaps we can get more people to participate in it and perhaps we can get many more people to come to our province. So, at that point, I -- (Interjection) -- It may be, it may be.

I would suggest that the government endeavour to operate in such a way that the people running the lottery should be strictly the Centennial Corporation and the government have nothing to do with it, to the extent that there should be no stigma attached to the government of Manitoba.

Again I've raised the point that there may be losses involved and we may not raise enough money, so this is the point I wish that perhaps the member can explain on third reading. If it is not successful and there is not enough money for the prizes, what happens? -- or for the draws. I hope that it will be successful and I hope it does not deteriorate to the point that it may be not good publicity for Manitoba and may not embody the spirit of Manitoba citizens and their desire to have a great Centennial year, and a special year.

So perhaps the honourable member or the mover of the bill can give us some more information and explain it when he's closing the debate. I would also perhaps like to hear during the debate something from the Minister of Culture, because I'm sure that the Minister of Culture must have more information on how this lottery is going to work and perhaps he can give us his own opinion.

But, Mr. Speaker, I do wish to point out I have reservations, but for a one-shot deal for one purpose, I'm prepared to support it.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: Thank you, Mr. Speaker. Unlike the other speakers, I really don't have too many reservations and I'm for it, and let's get along with it. I think there may be one thing I would like the assurance of -- he snuck out on it did he? -- But the Minister of Finance, as long as he can give us some assurance that he's not going to tax me if I win, because this is about the only way you've got left to make an honest dollar in the province, and I want him to keep his fingers off. He can also have my notes after I'm finished if he can read them, because I can't.

I would suggest to the Honourable Member for Elmwood that maybe he suggests they pay off in wheat. That would help the agricultural industry. And also -- (Interjection) -- Make sure it's shipped through Churchill.

(MR. BEARD cont'd.)

But maybe if he had suggested that this was called fun and games instead of lottery, then it would have been nice and everybody could have agreed with it and been less sanctimonious about this type of an operation.

I would suggest to the Member for Assiniboia that if he wants to make sure that there is no loss, then he get out and sell lots of tickets and there won't be a loss. He is a good salesman for Manitoba and I'm sure that he would be able to do it.

MR. DESJARDINS: . . . selling Irish Sweepstakes now.

MR. BEARD: I think there should be some assurance that they're not going to lose money, and I think that if the prizes are going to be set up - and apparently they are - by Lieutenant-Governor-in-Council, or the decisions, then I think it should be made on a commission basis so that there's some assurance that there would not be a loss. -- (Interjection) -- I think the kick-back should go to the communities. If they want total Manitoba involvement, then I think they have to go to each community within the province, and if they want to get the idea that this is a Centennial program across - and I'll state quite bluntly that in the back of my mind the fear is that the money that is going to be raised out of this will end up down on the Main Street consortium rather than in Northern Manitoba. -- (Interjection) -- Yes, I agree with that.

I would seriously suggest though that possibly if a sale could be put through maybe finance houses or through even the banks - bless them, they're into every other type of financing now - and if they could handle the tickets within each community and allow each community a rake-off on the number of tickets that they sell within their community itself, then this is total Manitoba participation. The community that sells the tickets gets that portion of the profit back and then they can use it on their particular Centennial program, and in fact assist them to make it even larger. In that respect I think that we who are members of service clubs would get behind this and promote it within our own community, and the poor representative or the traveller that we know that has to go round from community to community and buy tickets in each community, that would allow his company to further contribute evenly in each of the areas that he is servicing.

But I think that really the fact that it is called a lottery maybe worry some people. In fact we all got a letter this morning about somebody being concerned about the gloom and doom that would come from a type of Centennial program such as this. And let's face it, it is going on every day in one form or another in this province and people are benefitting, the people that win the prizes. They have lots of - you go to bingo games, you have a good time, you have an evening out and your wife spends all your money and sometimes she comes home with some money and sometimes she doesn't.

MR. DOERN: Sometimes she doesn't come home.

MR. BEARD: Well as I say, sometimes you win. Where can you really read into this any real grave problems that aren't with us now? We sell tickets on the Blue Bomber games, on the Grey Cup Games - at least somebody does, I imagine the Member for St. Boniface wouldn't do a thing like that. -- (Interjection) -- Sure, pea soup night, you pay your dollar and you don't know whether you are going to get anything anyway and you can't understand what you are getting, it's all in French.

A MEMBER: It doesn't come out in French.

MR. BEARD: I've lost my place, Mr. Speaker, I don't know where I was. I'm still on page 1 too. I think I said there was too much left to government regulations and I really didn't feel that we should be asked to pass this type of legislation without knowing how much it could cost us if we don't sell enough tickets. So I would hope that maybe the Member for Elmwood would be able to assure us that it would be on a basis of a commission type, or he can consult with members who have more knowledge of this. I want to make sure that it doesn't all go down to Main Street, that there's an area north of Main Street that needs sprucing up a bit.

I remember there was a member, one of the town council that loved that type of entertainment, the Galloping Galoots, and I agree with him in many cases that there's different types -- (Interjection) -- Yes, let's gallop around the province and spread this money out a bit and make sure that if it's going to be a success then let's do it with fun. It's not an under-the-table type of thing that we have to be very sanctimonious about. We don't have to be afraid of what's going to happen in the future -- so, maybe greyhound racing next year, I don't know. But certainly it has been proven that if people can't gamble legally they are going to gamble illegally. Maybe they are going to gamble on how many cars are going to pass the corner at a certain

(MR. BEARD cont'd.)... time. I am sure this isn't opening the door to anything that really hasn't gone on in Canada. We all recognize that fact. I suppose most of the members have bought Irish Sweepstake tickets at one time or another and they didn't even get an assurance that their ticket was going to be put into the pot, and I don't see any assurance in this bill that the ticket will be put into the pot but I have more confidence in the Member for Elmwood than I have with some Irishmen over in a foreign country.

I think that if we get back to the fact that this is again Fun and Games - wasn't that the deal in the Pan Am - and get away from this doom and gloom of lotteries and gambling and mafia and all the rest of this type of thing. Have a little fun and if we can make a dollar out of it, so we've accomplished a little bit. As long as it doesn't cost us a dollar and as long as we can give some assurance that we can get some of this money past Main Street, then I have no reservations. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. WEIR: Mr. Speaker, I would like to just make a few comments on the bill that is before us at the present time. Like some of the other speakers, I am sorry that there hadn't been more information on the type of lottery or game of chance that was being contemplated by the Centennial Corporation. I have been on record, as many other members here have, on occasion when we had a vote on sweepstakes and making recommendations to Canada as to voting against it. I must admit to still having mixed thoughts, like I am sure many others have, but there has been changes since that and the Government of Canada has certainly made some changes.

I think the one thing that this does do is give us an opportunity to have some public discussion in Manitoba as to the views of the people of Manitoba in this regard. While I may have sounded critical of the Member for Elmwood, I don't really mean it in that sense because it might in fact be better to have the Chairman of the Centennial Corporation tell us in some detail at the committee stage of what their plans are, and in that way also, those members of the public would be able to hear it and reflect at the same time.

There is one other little concern I have and that bears on a remark I think that I recall the First Minister making when he indicated that if it was a type of lottery, and if there happened to be a loss, it would likely fall to the Province of Manitoba to pick that up. Well I think this is something that we should know, what type of lottery it is. If in fact it was going to be a lottery where a potential loss was there, and if in fact the government of Manitoba was going to guarantee it so that the prizes could be assured, then I think in fact we might have been better to have had the bill presented with a message from His Honour, because if there is a potential involvement of money in terms of this thing with the Province of Manitoba, I would think that declaring it at the outset would really be the best way to handle it.

Now I am not saying that this is the case because I know that it is possible to run lotteries - and the Member for Elmwood is introducing the bill indicated one type of lottery that might be held where losses really weren't possible. This in fact might be what the Corporation has in mind, I have no idea. So again all I say is there is enough area of doubt, and the bill being with us, while it is indicated it is really intended for one occasion only, those of us that sit in the House I don't think can avoid the fact that it does establish a precedent and that we do have to use, in the judgment that we inflict on this occasion, attitudes that we might very well take in the future, particularly if it happens to turn out successful, if there was a lottery in Manitoba and it was successful.

So that I think that I am prepared to see the bill pass second reading. I am not prepared to say where I stand on the whole thing in principle, I do want to reserve my opportunity to object if in fact I am not satisfied with the type of lottery and the manner in which it is laid down by the Chairman of the Centennial Corporation, and if in fact the people of Manitoba feel strongly enough that this wouldn't be in their best interests on their birthday, I think is something that has to be taken into consideration as well. But at this stage of the game I see absolutely nothing wrong with us having the bill go to committee, which does give us a vehicle for public discussion and a full description of what is intended.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Speaker, I would like to take part in this debate for awhile. There has been so many fine speeches about it already that I don't think I can add too much to it. I don't believe in repeating just for the sake of speaking. I have really enjoyed the remarks, but there were some things about it that really puzzled me very much. The speaker from Assiniboia here told us all the bad things about gambling. He outlined them very

(MR. HENDERSON cont'd.)... well but he still said he'd vote for it. This seems very peculiar to me, because I don't know how a fellow can do that. -- (Interjection) -- Well, fortunately I wasn't here either before and I didn't take a stand on it, so I can take my stand without any of those feelings.

I must say that throughout my life, all my life I might say, I believe that people should pay for the things they want, and I believe if you want something these are the people that should pay. I know there's lots of gambling going on, and I buy tickets too but I don't sell them. I never sell tickets and I won't sell any of these. I'll buy some - yes, I'll buy some. I look on these things as a way of donating rather than a game of chance. It is true that the people that will be taking part in this will be people which probably can't afford it too well. It does get away from ability to pay idea which that party talk about all the time. -- (Interjection) -- You are going to up the welfare payments so they can buy some more tickets.

I believe also that the Minister of Cultural Affairs should be telling us something on this because it is under his department. --(Interjection) -- We haven't heard yet. Well I'm going to ask him. But I myself have been against this all my life. I never sold tickets; I do buy them; and I don't think the government as a government should get into it. This is the way I feel. I have gone along with local organizations doing it but not a government, because -- (Interjection) -- everybody that does this is usually a charitable group or something like this, it's a different deal. I would not buy one ticket in my life from a private enterprise person. I would not, but I would from an association. All I will say is that I am not going to repeat any of the other stuff that has been said, but I myself am going to vote against this bill.

MR. DOERN: When you said you were against a government sponsored lottery, would you support a lottery sponsored by a private group that asked for government approval to hold this?

MR. HENDERSON: Just repeat that please.

MR. DOERN: Would you support a move by the Legislature to approve a lottery sponsored by a private group or organization?

MR. HENDERSON: No, I don't think so. If I have your question right, I certainly wouldn't.

MR. SPIVAK: Mr. Speaker, I have a short contribution to make in connection with this debate. I am sorry the Honourable Member for Crescentwood is not in his seat, because really after listening to him earlier today, I think this is very appropriate. He's concerned that slogans should indicate the direction we are going in, and I would suggest that based on what the Honourable Member for Elmwood has said and based on the budget and the new rise in corporation and income taxes, we can say "Gamble with Manitoba in 1970".

Now it is very interesting that the last speaker indicated that the question of the ability to pay had not been mentioned, because it would be interesting to see whether there is going to be a variation from those, in terms of the price of tickets, from those who earn less than \$3,000, those who earn more than \$3,000 and those who earn more than \$10,000 -- (Interjection) -- Well, I'm wondering how successful we would be in connection with a lottery if this was undertaken.

Now on a very serious vein and because I believe that there are those in our province who seriously question the manner in which this has been proposed and the real intent of the government, that I would like at this time to read into the record a letter that the Honourable the Member from Elmwood has received, a copy of which has been forwarded to the Premier, which presents a position that I think has to be stated in this House. I do so because the author of the letter is a constituent of the constituency of River Heights and has given me authority to do so, and I think in a very real way it explains what I believe is an opinion that is seriously held by many people in this province in connection with this proposal.

It is addressed to the Honourable Member for Elmwood and dated September 24th. I will indicate the author's name at the end. It says: "Dear Russ: I find great irony in your sponsorship of the Centennial Lottery Bill, so much in fact that I am not at all surprised that the NDP as a party is unwilling to go on record in supporting a measure which many of its members of caucus individually apparently will. The irony has to do with the morality of what you propose. Let us not deceive ourselves about morality. Morality, properly so-called, is rooted in truth and reality. It is the establishment in customs, in mores and law, of what men have found by experience and thought to constitute the good life. There is a certain avante garde attitude which rejoices at the breaking of morality, but what gets broken often in such cases is not a living morality but a dead one. A higher morality gets born. Living morality is the essence of a vital society. I just don't want you or those who will support this measure to feel that in

(MR. SPIVAK cont'd.),... flouting morality on this question you are like heroes banishing the dragons of puritanism that has passed its time.

"It's not a question of blue laws or any such shibboleth. The real moral question is the simple factual one of what you propose to do. You propose to pay for some, or all the costs of our Centennial - a celebration in which nearly all of us will participate with happy pride - not by asking us all to pay for our own joy, but by enticing a few people to pay for everyone. It has been shown time and again who will pay - the little man, whom you have set yourself up to defend. People like me will pay nothing, yet I am prepared, should you put it in my taxes as with medicare, to pay my full share. People will participate in lotteries to be sure; every man to his own foolishness. My follies lie elsewhere. But it is another thing for his own government to be the agent of enticement. You do not propose to do this as a government; the expedient of the free vote in the Legislature. However, the government obviously can't get itself off the hook - the proper moral hook, note - of responsibility for this act, since the matter arises within its own party, is probably an expedient to avoid unpopular taxes, and in any case could be defeated by the government should the NDP vote en bloc.

"I think in short that the proposal and the means of carrying it out are alike immoral in the real sense of that word. They are in opposition to reality, to the good life as I believe it to be, in which people pay for value received in somewhat in proportion to their ability-to-pay. The high irony lies in the fact that it is the NDP, generally speaking the party of morality, equity and justice, that intends to work this inequity upon its people. My comfort, though I will gladly trade it for a more sensible decision in the Legislature, is that I can enjoy the rather delicious irony and enjoy a free ride during the Centennial. Yours sincerely," and it's signed by "Carl Ridd" the Assistant Professor of English and Religious Studies at the University of Winnipeg.

Mr. Speaker, I read this letter because I seriously believe that many people in Manitoba hold this view, and I think - and the question has been asked do I - and I and many members on this side are not going to be prepared to proceed with it until we have information, and a proper opportunity will be presented when it's before committee, and at that time I think the government has an obligation to indicate in real detail - and I suggest the government because in effect although it has been introduced by a member of the New Democratic Party it must have been discussed in caucus, and I'm just assuming it's been discussed in caucus and I'm assuming as well that it will have the support of the Centennial Corporation. We have a Minister without Portfolio who's in charge of that responsibility, so therefore I suggest that there is an obligation, a real obligation, to spell out in every detail what is proposed so that we on this side can make a judgment as to whether the proposition that has been forward in the letter that I've read is in fact true or not. If it is, then I suggest the bill should not be passed; if it isn't, and a real explanation has been given, then I think this is something we can consider.

MR. PAULLEY: Mr. Speaker, I did not originally intend to take part in this debate, but I feel empowered to say a few words in view of the remarks that have just been made by the Honourable Member for River Heights, for he casts what seems to me to be a red herring or a cloud over the introduction of this bill. He seems to indicate that because the bill was introduced by a member on this side of the House other than that of the front bench, that irrespective of that the issue is automatically a government measure. Now surely to goodness my honourable friend has been a member of this House, or an observer in politics in Manitoba long enough to know that what he said was utter nonsense, that in the past backbenchers and private members in government have introduced measures for the consideration of the House, and on those occasions, particularly since my honourable friend became a member of this House, if we on that side had uttered the nonsense that he has just finished with, he would have been the first to disclaim the responsibility from the government side of the House. And I'm astonished to hear my honourable friend say that.

MR. G. JOHNSTON: Would you permit a question? On a point of order, Mr. Speaker, I'd like to point out to my friend who's speaking that the first clause in the bill says "the Province of Manitoba through its agent." Now is that not the Manitoba government?

MR. PAULLEY: There's no point of order and I'm speaking to the resolution, Mr. Speaker. And I want to indicate before I sit down, and I'm not going to prevaricate, I'm not going to be irresponsible like my honourable friend from River Heights and say, well I'm against it but I'm going to vote for it. Before I sit down the honourable members in this House will know where I stand in respect of this bill as a member of the Cabinet of the provincial

(MR. PAULLEY cont'd.)... government, and it's no change from what I have said before, Mr. Speaker, while on that side of the House.

My position may not receive the acceptance of a majority of the members of this House, but nonetheless it is a clear-cut position that I take, and I think a responsible position that I take, and I refute entirely the arguments of the honourable member for River Heights because I don't believe in lotteries period as a matter of principle, and it doesn't matter a continental to me whether they're under the auspices of an agency - presumably of government; it doesn't matter to me the foundation of the lottery; I'm opposed to lotteries and always have been as a matter of principle and conscience. And I want to say to my honourable friend, and all honourable members of this Assembly, and I don't think that I need to infer that this proposition is not a proposition which can be construed as that of receiving the endorsement of any other than private members or members of this House as private members.

This is not a new position that I have taken, Mr. Speaker, it's a position that I've always taken as a member of this Assembly. I object most strenuously to Bingos. As far as I am concerned, if we abolished horse racing in Manitoba I would be perfectly happy, because I don't believe in that either.

MR. FROESE: Would the honourable member permit a question?

MR. PAULLEY: Why certainly.

MR. FROESE: What about individual rights? Where do you stand on this, to what extent would you permit individual rights...

MR. PAULLEY: Such poppycock from my honourable friend is normal. What about individual rights? Here my honourable friend the Member for Rhineland becomes a member of this House and he passes legislation and bids for legislation time after time which restricts the rights of individuals. If my honourable friend infers by his question that individual rights should be untrampled and everybody should go wherever they wanted to go, what type of a society that we'd be living under. I suggest to my honourable friend before he asks such questions that he consider his position as a member of this Legislature, which has to pass laws in order to guide and conduct so-called individual rights in society. I'm sure my honourable friend over the weekend will reflect in the connotation and the impact of his question.

My sole point in rising, and I say, Mr. Speaker, I did not intend really to take part in this debate at this time, but I want to make it amply clear to all the members of this House and to all Manitobans, irrespective of how this House votes, if eventually the vote is of 55 to 1, and I'm that only one, I am not going to support this measure as a matter of principle, as a matter of conscience, because I don't believe that any operation should be conducted in the manner in which this is proposed.

MR. SPIVAK: I wonder if the honourable member would permit a question? I wonder if he informed the House that in his opinion the Manitoba Centennial Corporation is an agency of the government and that this bill was introduced on their behalf.

MR. PAULLEY: This bill was introduced by a private member.

MR. SPIVAK: ... could inform us on whose behalf it was introduced?

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I would certainly like to compliment the Honourable Minister of Labour for his stand, for coming right out and saying what he believes about lotteries. I in fact have never been a supporter of lotteries for the Montreal and what have you. I have bought Irish Sweepstake tickets, I have bought curling club tickets, I've made a bet on a race horse, and I'm not here to make concessions or anything of that nature. I like fun and games, and nobody likes them better than I do, as the Honourable Member from Churchill mentioned. -- (Interjection) -- Not at the present time, it'd be too dangerous right now.

But I say this, and the Honourable Member from St. Boniface from time to time has said, "what is your position" when somebody is speaking. The Honourable Member from Elmwood said to the Honourable Member from River Heights, "how would you vote?" I think this is something in this particular case that I have to consider very seriously, I think all of us have to consider very seriously, and if the fact that we can't go to Law Amendments and listen to the people of the Province of Manitoba's opinions, we're wrong. If the Honourable Member from Elmwood is not prepared to listen to the opinions of the people of Manitoba, and I think he is, I don't say that he isn't, after even presenting the bill - I think probably we all got this form letter in the mail, we know that there's people opposed - and we have this opportunity to make

(MR. F. JOHNSTON cont'd.)... a decision.

I would be like the Honourable Minister of Labour and say that I am opposed, but I would say this, the Honourable Member from Elmwood has presented something that has to make some sort of sense to me, and he is trying I believe to do something for the province in the way of a centennial contribution and he has suggested this way of doing it. I think it's the right thing that we all think of some way to have centennial programs or create money to help our centennial programs, but I honestly in this particular case -- and I wish I could be like the Honourable Minister of Labour and say I am against, I will be the second one that's against, but I can't. I want to hear what the people have to say about it, and I think this whole House has the opportunity to do that. This is what we're here for, we're here to make decisions, people don't make the decisions for us, but we should try to hear as many people as we can when we have the opportunity and then make the decision. Than you very much.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BARKMAN: Mr. Speaker, if no one else wishes to speak, I'd like to move, seconded by the Honourable Member for Assiniboia, that debate be adjourned.

MR. SPEAKER: The Honourable Minister of Cultural Affairs.

MR. PETURSSON: Mr. Speaker, the debate could still stand in his name. Could I not speak on it, Mr. Speaker?

MR. BARKMAN: That's fine, Mr. Speaker.

MR. PETURSSON: If he wishes to adjourn, then...

MR. BARKMAN: Go ahead.

MR. PETURSSON: I just wish to rise, Mr. Speaker, and entirely apart from the ethics or the moralities of the thing or principles of lotteries, I thought I should make a brief statement here in connection with this proposed bill, and I would emphasize that I am speaking as a private member and not as a member of government, and I'm speaking in favour of the bill.

Several members have mentioned such things as gambling and taking a chance with reference to the bill and they have warned against it. But then I would ask, as people have often asked, isn't all of life a gamble? You don't set foot outside of your door without gambling that you will return again in the evening. It was William James, the American philosopher who said that "all life is based on a maybe". He says: "You do not know for a certainty from one hour to the next what the next hour will bring, and this is a gamble." He lived three-quarters of a century ago, he lived and wrote and taught, but now in our time these same words have even greater significance. Life is a gamble. Which one of us setting out in our cars, or even in stepping off the curb on one of the city streets, has any absolute assurance that he will reach his destination. Life in that sense is a gamble.

The biggest gamblers among us are the farmers of this land. Not one of them knows with any certainty from one year to the next what his situation is going to be, whether he's going to have a harvest or whether he isn't going to have a harvest; whether he's going to get his grain into the ground, or once there whether there will be sufficient moisture to make it grow, and then having grown, whether he's going to be able to harvest it. So why shouldn't we venture a gamble from which we can perhaps derive a little bit of fun, the fun of anticipation, the fun of winning a prize, or even the fun in sharing the joy of someone who does win a prize. I see little harm in it when we look at it from this point of view.

The Manitoba Centennial Corporation, on whose behalf this bill is being proposed, has accomplished much since its inception in 1963, that's six years ago. For instance, what is not well known is the extent of the ingenuity and initiative that the Corporation has shown in keeping the costs of its projects at a reasonable level. It has done so not by relying on government alone for its sources of revenue but rather by involving large numbers of people, involving them in financial contributions and in voluntary work. Centennial licence plates or plate purchasers, sales of seats in the Centennial Auditorium, the Century Club, all of these things have involved thousands of people and hundreds of businesses and industries.

Now had such activities not been initiated and pursued by the Centennial Corporation, and had not so many endorsed these activities by taking part in them, they would not have been so well accepted and would have undoubtedly cost more and been far less efficient. With the help of the public sector, 197 projects at this juncture have been made possible in Manitoba at a very reasonable cost. They include parks, community halls, rinks, curling clubs, libraries, urban renewal, and specifically such projects as the Centennial Building in the Peace Gardens, the Brandon Auditorium for western Manitoba, the Science and Research Building, the

(MR. PETURSSON cont'd.)... Centennial Centre here in Winnipeg, the Museum of Man and Nature, the Planetarium and the Austin Agricultural Museum, to name just a very few.

For the first time through initiative, ingenuity and involvement of people, the Centennial Corporation has accomplished long-range planning and cohesion and concentration of effort of a multitude of interested groups in this province, and it is to these same ends or similar ends that the profits - call them profits - of the proposed lottery bill or sweepstakes bill will be directed. Now to extend the activity of having as many Manitobans as possible to take part financially and otherwise in the Centennial, the Centennial Corporation Citizens' Committee, campaign committee, has proposed this bill. This bill will meet the request of the corporation and will provide further opportunity for involving hundreds of thousands of Manitobans in helping Manitoba to celebrate its first one hundred years. The opportunity given will be a voluntary opportunity. Those who have no moral objections to a sweepstake or lottery may spend their money in Manitoba for the benefit of Manitoba and Manitobans. Those who do have moral objections, and I respect them, need not buy the sweepstake tickets, there is no compulsion, but they can participate in other ways. They can purchase Centennial automobile licence plates for instance, if they have not already done so. They can purchase seats in the Centennial Centre. They can make direct contributions. And these monies, raised in these and many other ways will be divided among the centennial projects across the whole province, as approved by the Lieutenant-Governor-in-Council.

The Manitoba Centennial Corporation is a highly respected organization which devotes a very large part of its time and resources towards the making of the centennial of Manitoba a resounding event, and will help to launch Manitoba into the exciting years of its second century. The Manitoba Centennial Corporation is in itself a resounding success as a citizens' campaign committee, and to celebrate a centennial that will have purpose, have enjoyment, something to be remembered, as many as possible people of Manitoba must be involved in one way or another. It is their choice just how they will be involved, in what way they wish to be involved. So, a Manitoba Centennial Corporation sweepstake is one more way of doing this. One way of many, and the Bill that is now being discussed will give them the opportunity. But I repeat again as I did at the beginning, that as an individual member, rather than as a member of government, and on the basis of a free vote, I urge the support of this Bill.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BARKMAN: I beg to move, seconded by the Honourable Member for Assiniboia, that debate be adjourned.

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

MR. SPEAKER: Second reading Bill No. 45. The Honourable Member for Winnipeg Centre.

MR. BUD BOYCE (Winnipeg Centre) presented Bill No. 45, An Act to Amend the Winnipeg Charter 1956 (2) for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. BOYCE: The time has come to talk of many things, of ships and shoes and sealing wax and cabbages and kings, and whether the sea is boiling hot and whether pigs have wings.

I have to agree with the Honourable Leader of the Opposition that the next day reading in Hansard, it was a darn good thing that there were some explanatory notes printed because what I said didn't make any sense. So I hope I can do a better job of explaining what this Bill is about.

There are two principles involved in the amendments requested for the Winnipeg Charter; one deals with a little extra than allowed under the amendments to The Municipal Act regarding tax freezes as we've come to call them; and the second point deals with raising of the interest rates on taxes in arrears.

Now just a word about the first provision of the Bill, relative to the tax freeze. For those that have familiarized themselves with the Bill you will see that it is directed at a small area in downtown Winnipeg and the thinking in restricting it to this area was to determine its effectiveness as a tool. It is not a tool to be used just by itself. There is concomitant to this a revision in the zoning by-laws which have gone through which allows in this particular area density of suites - I think the figure is 436 per acre, which compares to a low in other zones of 35 suites per acre; so it varies from a low density in one particular area to a high density in this particular area.

Some of the thinking in restricting it to residential vis-a-vis business construction, was

(MR. BOYCE cont'd.) . . . that in the City of Winnipeg 98 percent of the residences are occupied - at least this is what the statistics tell us, and there seems to be no difficulty in renting residential property. In other words, we have a shortage of residential property. Everyone is well aware of how downtown Winnipeg has become more or less an area of parking lots and we feel that this is a tool which can be used to determine if tax concession is in fact a useful tool. We must keep in mind that when we allow tax concessions that there are other things that occur at the same time. One of the things is that the city will lose revenue. For example, one large building that was built in Winnipeg over the last two years, the first year it was under construction gave to the city revenue of 25,000 and the second year under construction this amounted to revenue of several hundreds of thousands of dollars, so that when we remove this tax from the area which the city can collect taxes it means that it has to be passed on to the other areas. So when I say we want to determine if this is an effective tool, this I suggest to you is the way to do it, is to direct it into a small area and see how effective it is. We don't think it is a panacea for all the ills.

Just a brief word on the second amendment that is before you. The old interest rate was one-half of one percent per month and the amendment asks your approval to an amendment which would allow three-quarters of one percent which is more in keeping with the present day interest rates in that it would give incentive to those people who more or less are inclined to keep their tax money back because it is not too expensive a proposition, it's cheaper to keep their tax money than it is to borrow it.

MR. SPEAKER: Are you ready for the question? The Honourable Member for St. Vital.

MR. JACK HARDY (St. Vital): Thank you, Mr. Speaker. If there aren't any additional speakers this afternoon, I beg to move, seconded by the Honourable Member from Gladstone, that debate be adjourned.

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

. . . . . continued on next page

PRIVATE MEMBERS' RESOLUTIONS

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Member for Riel and the proposed motion of the Honourable Member for Assiniboia in amendment thereto. The Honourable Attorney-General.

MR. PAULLEY: . . . . have this stand? I realize the matter is open Mr. Speaker, but the Honourable Attorney-General had to absent himself.

MR. SPEAKER: (Agreed) The proposed resolution of the Honourable Member for Assiniboia and the proposed motion of the Honourable Minister of Labour in amendment thereto. The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I just had a few brief comments that I wanted to make on this Bill. First of all as a matter of principle, I think that in an area such as this where we're voting on matters which affect the normal operation of our system outside of the Legislature, outside of government regulations, which is primarily the area and conditions of employment that are negotiated and settled by employers and employees, I think that as a matter of principle where government action should be taken is where the Legislature decides and discerns that there is an area which is a problem. I think that in the past that this has been done with respect to minimum wage. We've had debates in this House before with regard to the establishment of minimum wage.

There is a tendency for those that are proponents for a higher minimum wage to portray the minimum wage as being a fair wage and we tend to think of our debates on minimum wage in terms of the minimum wage being a fair wage, whereas in actual fact, minimum wage is a wage below which we consider it wrong for someone to offer his services on an hourly basis. And to use the analogy here we have to try and establish an analogous argument when we come to trying to decide whether two weeks of holidays a year or anything less than three weeks as this motion would put it, is in fact an amount which is too little in the light of the rights of people in the eyes of the Legislature. I honestly don't know whether it is or is not, so we really come down to a value judgment based on how you feel about the matter and as a result your observations are very subjective and maybe shaded a bit by your political stand and I don't think this is how we should be deciding this.

As a result of this I think that if the Minister of Labour, through his department, can provide us with the basic information as to how many people are affected in the province, what the size of the organizations are that would be affected, whether we're dealing with larger organizations in terms of the employer and employee, whether or not we are affecting one area of the province more than the other, geographically, and whether or not we are affecting one segment of our province more than the other, that is the agricultural industry more than say, the more urban based industries, then I think we have a basis on which to make the decision.

So with that in mind, Mr. Speaker, and only on the condition that what is going to be done, this is going to be taken away by the Department of Labour and we will get this information back and then we can look at it a little more dispassionately and a little more objectively with the figures in front of us, along with the basic political feelings which we may establish in terms of being a small "p" political decision.

Then on that basis, Mr. Speaker, I would be quite prepared to support the amendment which has been brought in by the Honourable Minister of Labour, and with those few words I would say that again, it being a Private Members' Bill, these are the feelings which I have to express on it at this time.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, just before we vote and if there should be a roll call vote at least then - just to be on the record. I am fully in support of the amendment because I feel that I would like to have more information from the government on this matter before I would want to support the original motion. Therefore I will support the amendment.

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

MR. SPEAKER: On the proposed motion as amended. Are you ready for the question? The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I'll just be very brief, just a few words. I wish to express my thanks to the members who have taken part in this debate. I'm sure that everyone that did certainly contributed quite a bit to this resolution.

(MR. PATRICK cont'd.)

I accept the amendment and I hope that the Honourable Minister of Labour will bring some report during the next session and if he doesn't I will state now and then that he certainly is waffling as far as this resolution is concerned because when he was on this side of the House he seemed to have had all the answers and he was in full agreement. This is what he thought had to be done and he did have the answers. But in a matter of a couple of months he sees that there is required to be more studies, and I agree to that extent that perhaps it may be a good thing to have a good look and see how it does affect small business and probably industries that are not unionized. But from all the records and the studies that we did have, it seems that every one has indicated that Manitoba has been called a "sweat shop", or has been paying sweat shop wages for many years, and the reason was given during many years that this was the reason that we wanted to attract industry and the case has been that we have not been in a better position than any other province that is perhaps paying better wages and has better fringe benefits than Manitoba. So I don't think this argument can be used. In most instances you have to appreciate that in manufacturing or industrial, where the costs are concerned, because of your export and your market; I don't think this applies in this area because in those industries, the men, the employees are unionized and it doesn't affect them to that extent. On the other hand in the service industry, I don't think it's a factor because in a service industry you can increase your price; say, if it's in a restaurant you can increase the price for your product and the consumer will have to pay more. So I don't think it affects people in the service industry to that extent.

Now your labour code in the States, I mean they're talking about such things that we're not even thinking of, in the way of fringe benefits and longer vacation pay and so on. This is the way that people are looking in the present society. They have better fringe benefits in eastern Canada and you talk to many business people in Manitoba and I have talked on many occasions - I have talked to one, to an industry that finally had to move out and he says the problem of Manitoba industry, you have some very capable and able people but you're not prepared to pay them the kind of salary and the kind of inducements that you can hold them here, so what happens, that we in eastern Canada get all your very able people and capable experienced men. He says this is one of your biggest problems.

I think it has been pointed out in the TED Report in regards to productivity and wages and I think the report was critical of wages that are paid in the Province and the fringe benefits. So I think I was right in bringing the resolution to this House and I believe this is one that had a full debate and I appreciate the remarks of the Honourable Member for Fort Garry and Sturgeon Creek. On the other hand, however, I think they would have been more consistent if they would have said, no, we're not prepared to accept it, we'll vote against it, because they did stress the hope of their speeches that they couldn't see this was the problem for the small businessmen and the employee to work their differences out. Again may I point out there's areas, Mr. Speaker, that the employer and the employee - there's areas where they cannot work out their differences and this is the area where the government has to participate and take an active part.

So I will vote for the amendment and hope that the Honourable Minister of Labour does bring his report during the next session; and if he doesn't then I'll probably have the resolution on the Order Paper again.

MR. SPEAKER: Are you ready for the question as amended?

MR. GRAHAM: Will the Honourable Member permit a question?

MR. PATRICK: Yes.

MR. GRAHAM: In view of your statement that . . . .

MR. SPEAKER: The Honourable Member knows the rule re . . . .

MR. GRAHAM: . . . . in view of what you stated, do you think that the 18 percent increase in corporation tax will entice people to come to Manitoba?

MR. PATRICK: Mr. Speaker, I was not talking on the tax bill, I was speaking to . . . .

MR. SPEAKER: . . . . honourable member it's an argumentative question.

MR. SPEAKER put the question and after a voice vote declared the motion carried. The adjourned debate on the proposed resolution of the Honourable Member for Ste. Rose and the proposed motion of the Honourable Minister of Finance in amendment thereto. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I adjourned the debate for the Honourable Member for Gladstone.

MR. J. R. FERGUSON (Gladstone): Thank you, Mr. Speaker. I am against the proposed amendment; however, I would like to say a few words on the resolution. It has had pretty fair coverage but I think there has been the odd point that possibly has been missed.

In view of the fact that the agricultural industry is entering a transitional period, whereby it is going to require a considerable amount of capital and the interest rate being what it is, I feel that this refund - so-called refund - would be a real benefit to us. The budget of Manitoba is roughly \$400 million and one percent is roughly what this tax is going to turn into the state, roughly \$4 million. I feel that as we have come up with no program at all towards helping this transitional period, that as it represents only one percent of our budget, I feel that this in itself is quite an argument for a refundable portion.

Now the figures were quoted the other day by the Honourable Minister of Finance - I'll quote them again just for the record. This would be a spouse with four children, \$51,000 would be no tax; \$75,000 would be \$2,250 tax; \$100,000 would be \$6,600; \$150,000 would be \$18,000; \$175,000 would be \$25,200 and \$200,000 would be \$32,700.00. Now as the Honourable Member for Roblin quoted the TED Report the other day, the Provinces of Alberta and Saskatchewan - "Manitoba cannot afford to withhold rebates of the provincial portion of estate taxes, if such rebates are available to residents of Alberta and Saskatchewan. To do so would not only tend to drive out of Manitoba those most actively involved in the province's industrial growth, but to deprive the province of those income taxes they would pay if they remained resident in Manitoba. The cost of such rebates appear to be outweighed by the benefits they afford the family businesses particularly farmers and growth companies."

Now it's been suggested by the Honourable Minister of Mines and Natural Resources this morning that possibly corporate farms might be an answer. I don't believe that this is any argument at all because the problem has been that farmers have been too efficient. They've just efficiencied themselves out of business. This is the big problem I feel. The Province of Manitoba, at the farming producer's level, are buying cheaper food now than they were twenty years ago - you can check your statistics any way you want to -- and the stuff that we're buying, machinery, labour, I would say has gone up possibly anywhere from three to four hundred percent. Now an example of our corporate farms probably in Manitoba would be our Hutterite colonies, real efficient organizations. I would also like to ask the Honourable Minister of Finance what taxes are being collected in succession duties on estates or what taxes are being collected in income tax from these corporate farms. And I know pretty well what the answer is.

Now I would like to read a quotation in closing, Mr. Speaker, from the Free Press, that says, "A good sound farm that serves society by its fruitfulness and having made all its one's own by the sweat of one's brow, to pass it on if one so chooses to the children of one's virtuous love. All my life someone has fed me a lie about our society. All that praise virtue is vice, social pollution. This applies not just to land, farms, but to drugstores, grocery stores, clothing stores; little factories that the men who own them work day and night to make into big factories, where men who do not want to work that hard nonetheless can work and earn and save for the benefit of their families. Can you believe me when I confess that I thought this was how the good life we know in this country was actually created. Rather, we must learn to float, minimum achievement will be enough, rewards we must learn are made up out of diminishing rewards of other men's efforts, until the day comes when all men's rewards will be minimal; because all men's efforts are minimal and the portion redistributed to all men from the product of their minimal efforts will be inescapably minimal, a kind of universal welfare payment, with the scale rising only for those men who deserve it most because they do not produce anything but redistribution schemes in the legislation that makes them laws." Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Speaker, this is a difficult question which we are dealing with in respect to the rebate of estate taxes. I think that the amendment proposed by the Minister of Finance is a reasonable one. The original resolution assumed that because Alberta and Saskatchewan had performed certain things then automatically Manitoba should also follow suit. I think we have to consider all the factors as was suggested in the amendment, and in respect to those two provinces which have passed legislation in order to permit a rebate the circumstances may very well be different.

For example, let us refer to the Province of Alberta. Sixty million dollars, it is my

(MR. PAWLEY cont'd.) . . . . understanding, last year was received by the province as a result of revenues received from the oil industry in that province. This money poured into the provincial treasury and one-third of that \$60 million was returned to the municipalities. So it's very obvious, Mr. Speaker, that Alberta has access to great sources of revenue that this province does not have. And therefore Alberta may very well be able to make certain concessions that would be economically unsound and impractical for this province to perform.

It may very well be, Mr. Speaker, that Saskatchewan will find that it made a mistake in following the example of Alberta. I noted in the papers only a week or two ago that the financial situation in the Province of Saskatchewan due to loss of income in the agricultural sector over the past year and in other areas had caused severe strains in respect to the financial budget of that province. So it does not follow without debate that the action by the Province of Saskatchewan in following the lead of Alberta has meant that it has attracted or gained revenues in excess of that which it would have received by retaining the estate tax.

I suggest, Mr. Speaker, that the onus of proof is clearly cast upon those that would have us rebate the estate tax. It is necessary that they indicate clearly and without doubt that that which the province would receive would be equal or in excess of that which it would lose by rebating the estate tax. In other words, we would have to attract to the sum of \$4 million greater revenues re income tax and other sources of income that my honourable friends appear to be so certain would come as a result of the elimination of the estate tax in respect to the provincial share. On the evidence submitted to date, Mr. Speaker, there has been a great deal of generality; there's been broad statements, but there has been very little, Mr. Speaker, by way of evidence that is clear and concise in respect to this.

Now the Honourable Minister of Finance has indicated in his amendment that this province, this government, is not taking a dogmatic view in respect to this matter; it is not stating "no" no matter what the argument. Rather we are stating that we are prepared to still listen and still study the proposal, take into consideration all the factors including future action that may be initiated by way of the Federal Government.

And, Mr. Speaker, in respect to this same matter I listened to the comments of the Honourable Member for Gladstone and having a considerable agricultural population in my own constituency I share his concern in respect to the severe problems now faced by the farmers in this province. And I submit, Mr. Speaker, that the actions which have been commenced and which have been indicated are about to be followed through by our own Minister of Agriculture, are in fact going a little bit of the way to alleviating some of this difficulty. The provincial role is limited.

I am not convinced, however, that the rebate of estate taxes in respect to farm properties is going to maintain the family farm unit. I think other areas are much more important. The area of the cost to the farmer in making his earnings as a result of the labour which he performs in respect to his various endeavours: soaring costs, the difficulty in disposing of his grain, the actions by the Provincial Government to the extent that they're able to go and the policies pursued by the Federal Government. All these are matters, Mr. Speaker, that will in the long run spell whether or not the family farm will be continued, and it is my sincere hope and wish that we will develop policies that will guarantee the family farm in the Province of Manitoba. But I am not at all convinced that the rebate of estate taxes is going to contribute to any but the most meagre extent in the achievement of the goal by which we share opinion.

Therefore, in conclusion, Mr. Speaker, all that we can do is listen to the evidence. I suggest the evidence is thin at this point, but we must continue to study the proposal, and if my honourable friends across the way can submit stronger and better evidence in the next while it may be necessary that we will have to reappraise our position. But at the moment, Mr. Speaker, I think that the onus certainly has not been lifted from the honourable members that are suggesting the original motion.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): I beg to move, seconded by the Honourable Member for Swan River, debate be adjourned.

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

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable House Leader of the Liberal Party and the proposed motion of the Honourable Minister of Youth and Education in amendment thereto. The Honourable Member for Souris-Killarney.

MR. McKELLAR: Mr. Speaker, we are discussing this resolution of the Honourable Member for Portage and amendment by the Honourable Minister of Education. I listened with great interest to the speech made by the Minister of Education when he amended this resolution because if he could only read back his speeches I think about four or five months previous he was telling us, the government of the day at that time, that we should accept 100 percent responsibility of the Foundation Program and do it in a hurry. And lo and behold when we heard his speech and amendment forthwith which spells out we must continue its study of education costs with a view to involving a more equitable system of financing education. Well I thought the honourable gentleman had the answers back in February, March and April. I guess the only difference is at that time he wasn't talking about dollars because he didn't have to raise them and in the position he's in now he's got to produce the dollars to go along with the resolution. I would imagine after seeing the situation as it presently is, with the farming situation as it is, the farmers desperately in need of dollars, paying no income tax, the position of the government of the day will be greatly affected to the point where they're not able to produce. I myself always thought that we were on the right track and I accept the resolution in its entirety and reject the amendment on the grounds that I do think that we as the Legislature of the Province of Manitoba should pick up in the next two or three years 100 percent of the cost of the school Foundation Program.

Much talk was mentioned at the urban convention I understand about the special school tax. In our own area of Souris Valley School Division our mill rate for the general levy is 10 mills and the special levy is 9.5 mills. So you can easily understand the position, that it's practically equal now in most cases, the special with the general.

I have been involved in education for a number of years having been secretary of our own school district and I really know what's involved in meeting these costs and I know that if the government -- and I understand they consider education is one of their major planks in their platform when they took over, that they were going to try to take the taxes off property and put them where they should be, on ability-to-pay. Now I would imagine they practically taxed themselves out of existence on ability-to-pay so they'll have to leave the taxes on property as they presently are for the time.

So I would urge the Minister of Education, and I would urge him to the point that the people of Manitoba are expecting some action on this. I would hope that you and your government would, through the next three or four months before the coming session, would give serious consideration to making some changes in the percentage of Foundation Program that comes from the consolidated revenues of the Province of Manitoba. We in the rural areas have never suffered such times as we presently are -- in fact I would say many taxes won't be paid this year. Municipalities are going to be in great trouble and they in turn are going to have trouble borrowing money to reduce the cost of education within their various municipalities. By removing in the next two or three years on a graduated scale, we will be helping the municipalities of the Province of Manitoba to a great extent.

So, Mr. Speaker, I and the members of our party are voting against the amendment and voting for the original proposed resolution.

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

MR. PAULLEY: Yeas and nays please, Mr. Speaker.

MR. SPEAKER: Call in the members. For the information of the honourable members who may have been out of the Chamber, we're voting on the amendment by the Honourable Minister of Finance to the proposed resolution of the Honourable Member for Ste. Rose.

MR. PAULLEY: . . . . is the proposed resolution of the Honourable House Leader of the Liberal Party amended by the Honourable Minister of Education.

MR. SPEAKER: I'm sorry. -- (Interjection) -- On page 5.

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

YEAS: Messrs. Allard, Barrow, Borowski, Boyce, Burtniak, Cherniack, Desjardins, Doern, Evans, Fox, Gonick, Gottfried, Jenkins, Johannson, McBryde, Malinowski, Miller, Paulley (Transcona), Pawley (Selkirk), Petursson, Schreyer, Shafransky, Toupin, Turnbull and Uskiw.

NAYS: Messrs. Barkman, Craik, Einarson, Ferguson, Froese, Graham, Hardy, Henderson, Johnston (Portage la Prairie), Johnston (Sturgeon Creek), Jorgenson, McGill, McKellar, McKenzie, Moug, Patrick, Sherman, Spivak, Weir and Mrs. Trueman.

MR. CLERK: Yeas: 25; Nays: 20.

MR. SPEAKER: I declare the amendment carried.

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

MR. SPEAKER: The proposed resolution of the Honourable Leader of the Official Opposition and the proposed motion of the Honourable Member for St. Boniface in amendment thereto. The Honourable Member for Swan River.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, in the absence of the Honourable Member from Swan River, I beg the indulgence of the House in permitting this matter to stand.

MR. SPEAKER: Stand? -- (Interjection) --

MR. PAULLEY: It doesn't matter. He would lose his right anyway. Okay. No, he couldn't have that stand, because he'd lose his right under the rules of the House. It would be open.

MR. SPEAKER: Are you ready for the question?

MR. WEIR: I don't think according to the rules of the House that it is open for a vote. It stands open on the Order Paper - that is my understanding.

MR. CHERNIACK: I believe it stands open for any member to speak and if no member wishes to speak or adjourn debate then it's ready for a vote.

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

MR. GRAHAM: Mr. Speaker, I move, seconded by the Member for Sturgeon Creek that debate be adjourned.

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

MR. SPEAKER: The proposed motion of the resolution of the Honourable House Leader of the Liberal Party and the proposed motion of the Honourable First Minister in amendment thereto. The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, I asked this matter to stand for the Honourable Leader of the Opposition.

MR. WEIR: Well, Mr. Speaker, I did want to participate a little bit in the debate on this resolution and its amendment. I really don't think that I'll have too much to say because I have participated in the same debate in one form or another several times in the session. I can say that it's disappointing as far as I'm concerned that the issue appears to have put together here two things: one is the original motion which referred to a specific incident and the amendment talking about the future and having very general application.

But I can say at the outset that I'm prepared to support the amendment now that the amendment is in order, because I see merit in having an investigation as to the improvement in the procedures of operating and paying for our elections in the Province of Manitoba. I think that the only argument that I have is the manner in which we have reached this point. I'm sorry that it didn't start with a positive resolution in the House without all of the controversy that has enshrined it.

If I may, Mr. Speaker, I'd like to refer just briefly in passing to the original motion, if I can, because I didn't agree with that in its entirety either. I think that on a specific case if in fact there was something wrong, rather than a committee of the House, Mr. Speaker, it should have been by judicial enquiry so that an investigation could take place into the matter and facts could be determined by someone who is qualified to judge the facts and make a ruling in a non-partisan, impartial, completely impartial way.

The First Minister has, during the various debates on this subject, has made some apologies in various areas. It seems to me that there have been some areas that have still been left with a cloud; many of them outside of the House and it's for those people I guess, if they see something wrong, to take any action that they see fit.

I'm really very sorry that this has happened in this way. In the remarks that the First Minister made and in the manner he put it, he indicated some specific instances outside of Manitoba; he did definitely indicate that he didn't think Manitoba's past practice had been as bad as some of the other jurisdictions and yet the actual manner in which they were put together, if you wanted to take that impression, could leave you with the impression that it was similar antics that we were concerned about in the Province of Manitoba. It's my view that this wasn't his intention. I hope that that's the case. I do have some concerns in this regard. I do believe that the onus of proof is on the person who has made the - I use the word "charges" because that's certainly the impression that I have had all along, and that I would have been much happier had there been a judicial enquiry into it and all of the facts on the table. I think that

(MR. WEIR cont'd.) . . . . the First Minister has attempted to clarify this; I think that it has unfortunately still left some areas of doubt in some minds. I wish it wasn't the case but I believe it to be true.

But, Mr. Speaker, on the point of the amendment that we're talking about, I'm prepared to support the amendment and hope that we can move forward on a positive base from this point with a sincere desire on all parties to attempt to improve the situation with regard to elections.

I must say that I have some difficulties in seeing the disclosure of funds provided by corporations, or others for that matter, without really the public purse picking up a fair chunk of it. Because one of the things that happens by disclosure is advice to the government of people who have contributed; and when the government know people that have contributed, one of the dangers in that is that they're almost duty bound to avoid giving a contract to somebody that is in that position. So that a corporation or an individual who may have a sincere desire to contribute to all three parties, or all four parties, for that matter, to contribute to the public good of the country, can be put in a position where the government of the day, by the printed knowledge that a contribution has been made, is very limited in the manner in which they are able to provide work, unless without any doubt it has been by open public tender on a competitive basis and so on and so forth down the line.

So I think that we have to recognize that there are difficulties as we approach this very difficult problem, for all of the parties in the House. My hope and my desire would be that this committee would approach it in a very positive way to find out in what ways we can improve the election procedures in the Province of Manitoba.

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

MR. SPEAKER: The question on the motion as amended. The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, if no one else wishes to speak, I beg to move, seconded by the Honourable Member for Assiniboia that debate be adjourned.

MR. SPEAKER presented the motion.

MR. PAULLEY: Mr. Speaker, I think you pointed out that by taking the adjournment that the Honourable House Leader would be closing the debate.

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

MR. SPEAKER: The proposed resolution of the Honourable Member for Sturgeon Creek and the proposed motion of the Honourable Member for The Pas in amendment thereto. The Honourable Member for River Heights.

MR. SPIVAK: May I have the indulgence of the House to have this matter stand.

MR. SPEAKER: (Stand) The proposed resolution of the Honourable Member for Brandon West. The Honourable Attorney-General.

MR. PAULLEY: Mr. Speaker, according to the rules of the House, the Honourable the Attorney-General loses his right to speak which makes the motion open.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Kildonan.

MR. FOX: Mr. Speaker, I just want to address myself briefly to this resolution. I think it is a good one but we have to be a little careful about how we apply it. I can say this, that the common law does cover many of the areas of invasion of privacy and it can be adjudicated through the courts there. If we pass a special privacy law we will be to some degree limiting ourselves and hampering ourselves. I think we have to have real clarity of mind before we delve into any area of law in this respect.

Now the invasion of privacy is a matter which is getting more and more complicated as time goes on. Today we are into the computerized age and we have invasion of privacy in many respects, through electronic devices, through the telephone, through the fact that we have many things put on computers which are then scored and transmitted amongst different institutions that we have in our social order and consequently there is very very great depth into this matter of invasion of privacy.

As I indicated at the beginning, I think the resolution is a good one and I'm certain that we should consider the advisability of looking into this with greater depth. I do not indicate that we have any difficulty with this resolution. Thank you, Mr. Speaker.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, if no one else wishes to speak at this time, I would move,

(MR. MCGILL cont'd.) . . . . seconded by the Honourable Member for Fort Rouge, that debate be adjourned.

MR. SPEAKER presented the motion.

MR. SPEAKER: The House appreciates that the honourable member will be closing debate.

MR. MCBRYDE: Mr. Speaker, if it's all right I would wish to speak on this matter.

MR. SPEAKER: The Honourable Member for The Pas.

MR. MCBRYDE: On this resolution regarding the invasion of privacy a couple of matters have come to my attention since I have been in office. The first one is relating to commercial reporting agencies and I understand there are four or six of these agencies in the City of Winnipeg. Probably anyone who has ever borrowed money, got car insurance, applied for a job, has had a report done on them by one of these commercial reporting agencies.

One situation came to my attention of a person who newly arrived in The Pas who got a letter from an agency asking him to be a reporter for them. They said they would be able to pay him \$2.00 per report and he could report on people as they requested. This person wasn't interested in this kind of work and he was also concerned with the fact of the influence or power given over other people and the damage he could do if he were doing this kind of job. This has happened before, Mr. Speaker, and I think it would be worthwhile if the people of Manitoba could be made aware that they do have these reports on them; these reports are private and secret. Probably everyone in this House has one of these reports regarding them and we're not allowed to see them and we don't know what they say and they could have quite an influence on our life.

For example, I know of another case of a couple of nurses that moved into a new town and they made acquaintance there during the first couple of weeks that they were there with the members of the R. C. M. P. Then they bought a new car and wanted to get insurance. The insurance investigator came around and asked the owner of the place where they were staying, what kind of people they were. He said well the police have been over here twice already and they've only been here a couple of weeks, and in this case they had difficulty getting insurance. They had to go to another company and they had to end up paying more for their insurance.

Another example is a professional person in Manitoba who has been unable to get employment for the last three years. He feels that this is the reason why; and because of his suspicion he went to considerable work and managed to somehow get a copy of the report on him and it was definitely negative. Now he probably has had some problems with his employment history but he has no opportunity to overcome what's been said in this report because the report is a secret document. R. Dale Gibson and John M. Sharp of the University of Manitoba have done studies on these reporting agencies and made some recommendations that I think this government should take into consideration in terms of making some proposals for legislation by next session.

Another matter in this regard of invasion of privacy that I'm quite concerned about came to light from a number of individuals, and also the other evening when I went to a meeting of the Manitoba Tenants' Association, which is a group of people who do rent homes here in the City of Winnipeg. It's just a fledgling organization, it isn't very strong yet, but the people at that meeting reported a number of cases, a number of times or even very frequently when the landlords would come into their dwelling without any permission, without any request and for no reason. This to me, Sir, is a very serious invasion of privacy; probably invasion of privacy of the worst kind, where people have no right of privacy because they are renting from somebody else. They have no protection in this regard and I would hope that when this Assembly begins to look at the matter of the Landlord and Tenants Act, or through some other legislation, we can overcome this serious fault in the invasion of privacy. I know the Honourable Member from Brandon and the other members have mentioned there are quite a number of areas where there is this concern. I just wanted to bring these two personal concerns of mine up today. Thank you.

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

MR. SPEAKER: The proposed resolution of the Honourable Member for Fort Garry. The Honourable Attorney-General.

MR. PAULLEY: Mr. Speaker, unfortunately the Honourable the Attorney-General is away and under the rules of the House he loses his right to participate in the debate, which makes it open.

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MR. FOX: Mr. Speaker, I beg to move, seconded by the Honourable Member for Crescentwood, debate be adjourned.

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

MR. SPEAKER: The proposed resolution of the Honourable Member for Churchill. The Honourable House Leader of the Liberal Party.

MR. PATRICK: Mr. Speaker, the honourable member is not in the House. May this matter stand, unless somebody else wishes to speak may do so.

MR. SPEAKER: (Stand) The proposed resolution of the Honourable Member for Lakeside. The Honourable Member for Kildonan.

MR. FOX: Mr. Speaker, I looked at this resolution. I have no comments to make on it. Thank you.

MR. SPEAKER put the question.

MR. SHERMAN: Mr. Speaker, if no one else wishes to speak at this time, I move, seconded by the Honourable Member for Roblin, that debate be adjourned.

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

MR. SPEAKER: The proposed resolution of the Honourable Member for Churchill. The Honourable Member for Brandon West.

MR. MCGILL: Thank you, Mr. Speaker. I rise to comment briefly on the proposed resolution of the Honourable Member for Churchill, I think for two reasons. I really don't know which reason is my principal one, they're both to me rather important.

First of all, it's a matter of air transportation and it's a subject on which I've had continuing interest and it is for this reason that whenever the subject is mentioned in the House I am taken and interested in the remarks that are made. And the second reason of course, would be that whenever the Honourable Member for Churchill speaks in the House about the country which he loves so well and which he represents in this Legislature so ably, I listen with great interest because I'm much impressed by the, as we call it, the north country, that part perhaps we should more properly call central Manitoba: The Pas and Thompson and Gillam and Lynn Lake and Flin Flon and northern Manitoba his beloved Port of Churchill. To me this is a magnificent country and one has only to fly over it and to know its beauty and its possibilities to be very much interested in its future.

I hope that I won't sound too enthusiastic to the honourable member and that he won't think I'm attempting to curry his favour for some ulterior motive, because during the last few days there have been certain notices in the news about the aims and objectives of the BBC -- and the BBC as it's presently explained means the "Brandon Bonaventure Committee" -- and the BBC in publicly debating how they might achieve their ends have mentioned the country represented by the Honourable Member for Churchill and the Hudson Bay as being possibly the way in which they would bring the Bonaventure to Manitoba and we might even have to use the facilities of the Port of Churchill. But the BBC would not like to put themselves in a position where they were not competitive and as of yesterday they have decided that there's an alternative route possibly that they could use and that would be by way of the Gulf of Mexico and up the Mississippi River and then by using 237 trucks they would bring the Bonaventure by way of Emerson. This, of course, is a matter which concerns me because the Bonaventure would be placed in that area of the Assiniboine River which falls in the constituency of Brandon West so naturally we must be concerned. So I hope the Honourable Member for Churchill will not think that we're attempting to negotiate a position with respect to Churchill and the Bonaventure. The bids of course haven't been closed on the Bonaventure so it may of course develop that we won't need either Churchill nor the Mississippi route for the transfer of this aircraft carrier to Brandon.

But to return more seriously to the problems of northern Manitoba, the honourable member, of course, points out that air transportation is of vital importance to the development of the area and I certainly agree most heartily in that respect. This is the way in which the country has developed up to this point and is still the primary means of transportation for most of the isolated communities. He has recommended that this government review the present policies and responsibilities of Manitoba regional air carriers. The regional air carrier that has a responsibility in this area would be of course TransAir, but I think we can hardly call them a Manitoba regional carrier because the Federal Department of Transport has designated their area of responsibility as extending from eastern Alberta to the Lakehead, with access to the rich Toronto market, and this of course makes them more than just a Manitoba regional carrier.

(MR. MCGILL cont'd.)

There are five designated regional carriers, if I may just for a moment review this present position of the Federal Department of Transport. There's Pacific Western Airlines which has the responsibility in British Columbia and western Alberta; TransAir as we have just stated in the central prairies and the Lakehead with access to Toronto; Nordair having the responsibility in Ontario and Quebec; and Quebec Air extending beyond this in eastern Quebec; and Eastern Provincial in the Maritimes and Newfoundland. So there is really a definite policy at the moment with respect to regional air carriers. TransAir will, I presume, hope in the future to extend its traffic lines to perhaps as far west as Calgary, and I think there is an application presently under review that would give them authority to connect with Toronto.

There's been an opinion expressed both by the Honourable Member from Churchill and the Minister of Transportation that perhaps any support given at this time to the application of TransAir to serve the Toronto area, would if the application were approved, perhaps work to the detriment of the service in northern Manitoba. I think this would bear a little further investigation. The possibility that a licence might be approved which would link TransAir's routes with Toronto would probably place them in the position of being able to support pure jet aircraft perhaps in the Boeing 737 category. These are aircraft with 100 passenger capacity, approximately, and they're fairly expensive units. I think they're worth in the neighbourhood of \$6 1/2 million each. So that if these routes were approved this company might be in a position to operate two pure jet Boeing 737 aircraft, and it would appear that if this came to be that there might be an opportunity to extend the jet service to northern Manitoba. Aircraft in this category are said to require approximately nine hours of operating time per day in order to achieve a profitable operating position. These would enable the company to serve the route to Toronto and also serve such points as Thompson and possibly Churchill. So I would perhaps offer the suggestion that the approval of these applications to Toronto might have the effect of bringing about a much better kind of air service for northern Manitoba.

The remarks made in the earlier period of this debate in connection with fares in northern Manitoba I think were well taken. The rate per passenger mile in this area I think is higher than in most other parts of Canada, but the average rates for TransAir's routes seem to compare pretty well with the other four regional carriers in Canada. TransAir is getting an average return, according to their figures, of about 10.3 cents per passenger mile, while the average passenger return on routes to the north at the present time are something over 11 cents. As a means of comparison, Eastern Provincial have an average return per passenger mile to the company of 13.8 cents per passenger mile and this is considerably higher than the average for TransAir. Pacific Western have 11.6 cents per passenger mile; C.P. Airlines 11.7; so these fares really are rather comparable in this respect. The company has had its operating problems, and I am not speaking as the advocate of TransAir as a special company, I'm speaking of their position now as they are presently designated to be the regional carrier serving our part of western Canada.

I think that it would be very helpful to the development of northern Manitoba if we could in some way support the idea of extending routes which would enable this company perhaps to achieve a profitable operating situation. They have perhaps a potential of becoming a corporation in Manitoba which on a profitable basis might contribute to our tax revenues and I think we would hope this to be a possibility of the future and certainly I think the company would do everything they could to achieve this position. So I think that as a government, I think that as members of this Legislature it would be in interests of the province generally to see some method by which the company could improve its operations, enable it to invest in better equipment and thereby to produce the kind of air service in the north which the Honourable Member for Churchill sees as a most necessary thing to the continued development of his part of Manitoba, and which also the Minister of Transportation has taken as a primary concern.

I notice that the Minister of Transportation in his few remarks on the debate - I'm sorry he's not in the House at the present time - mentioned the difference of 24 percent. He thought the rates in the north were 24 percent higher than in other parts of Canada. I wasn't quite sure on just what the comparison was, but the figure 24 percent does stay in my mind as being the way in which he compared the present air fares in the north with, I presume, the other air fares in Canada. And I found on Page 236 of the TED Commission Report - I presume the Minister of Transport was reading this report - and it points out in paragraph 3 - and I'll just read this very briefly. This table shows that if Air Canada served Churchill and the rate was

(MR. MCGILL cont'd.) . . . . constructed on the same basis as other Air Canada fares, the charges for a one-way economy ticket, Churchill to Montreal, would be \$110.00 rather than the actual \$136.00 which a passenger must pay at present, a difference of \$26.00 or 24 percent. Possibly this is where the 24 percent figure came from.

And just to conclude very briefly, Mr. Speaker, the points that I have raised are in no way, I hope, critical of the position of the Honourable Member for Churchill. I support entirely his views that improvement of air transportation in the north is most essential to the continued growth and development of that part of the province. I'm suggesting that rather than feel that any extension of the present regional carrier's routes as being a detriment to this improvement, that they might in fact work to the general betterment of the route. And I would further suggest that if access to Toronto were perhaps cheap, then the traveller from Thompson to Toronto would have a lower air fare than the presently constructed fare which would involve transportation of two separate carriers.

I hope that with these few words, Mr. Speaker, I have been able to contribute something to the aims of the Member for Churchill who has brought this most important subject to the attention of the House. Thank you.

MR. SPEAKER: Are you ready for the question?

..... Continued on next page.

MR. BEARD: Mr. Speaker, unless anyone wishes to speak, I will be closing the debate.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: I would thank the Member for Brandon for his very kind remarks. I was wondering just what response was going to come from his adjournment, and I thank him for the approach that he has taken in respect to this problem. Since he dealt entirely with the regional air carrier service, I would say that I can in many respects agree with what he has said. In respect to the 24 percent, in rising at this time I do not have the figures with me, but the 24 percent has to be carefully assessed. This is the additional surcharge over and above the rates that are charged if you were flying from, say, Winnipeg to Toronto, or Winnipeg to Montreal. This again is the problem that I try to continually bring to you, Mr. Speaker, that the costs are that much more in respect to the service in northern Manitoba, or in the costs of having to live in northern Manitoba or the costs of living in the north, if we want to expand it to that area, because regional air carrier services so often are the areas that are servicing the whole of northern Canada. When we think of Air Canada, we think of that airline which is the tool or the service to the people of Canada, and in many respects while they are again turning a profit of \$15 million last year, they did it on creaming off the real profitable runs, while leaving the regional to private industry who is really roughing it in this respect.

Now there's only one answer as far as I'm concerned, or the first answer as far as I'm concerned is that Air Canada must pay attention to this and do something about - I hate to use the word "kick-back" commission to regional air carrier systems; and this, Mr. Speaker, is what the regional air carrier problem Commission in '66 said; and this is again what Mr. McGregor said after he had done the damage in Winnipeg, after he had finished with his chairmanship of Air Canada, then he said these are some of the things that should be done. He recognized that he had made a mistake, or the board had made a mistake, that they should be in fact giving the regional air carriers financial recognition in respect to the fact that they were giving in-feeder service.

The people of the north - and when we talk about them, you can't just talk about Churchill and Thompson, we have of course to keep in mind there's many of the other areas that are being serviced, including Gillam, The Pas, Flin Flon, Lynn Lake, that won't - most of them won't be able to be serviced by jet service nor do they really want it right now. They're not asking for it. They're just asking for good reliable transportation that would fit into some type of communication system that would be as complementary to the north as roads are to the south, because whether you're doing business or whether it's pleasure, or whether it's just straight communication between one community and another, then it has to be done with as much expediency as possible, and if you can fit schedules in where you can move about, then you would get far better service to the area itself, because people just are reluctant to move into the north to do business unless they can do it on a day or two-day jaunt. They compare it with going to Toronto. They say so often, we could go to Vancouver and back and do business in two or three places in the same time that it takes to go up to the north and do business in several communities, so why should we go into the north?

Now we have heard, as the member pointed out, there has been changes in TransAir in the last couple of days announced and there would look to me as if there is going to be a whole new Board of Directors. And we must point out, of course, that the directors were cut down from 13 to six or seven. But if they're going to appoint directors, and if they're going to want the faith of Manitobans, and if they are going to want us to support them in runs to Toronto, then I say to them, show us by appointing directors that belong to particularly Manitoba, and I would like to see some from northern Manitoba included in this. They don't have to include Mr. Mauro on it; he's an executive assistant and he doesn't have to be on the Board of Directors. If they can get down to the basis of having people from the areas which they are servicing now on that Board, then I think they will get the confidence of all of northern Manitoba and Manitobans generally. We want to see them expand but we want to make sure that the north is looked after first. Unfortunately they're going to bed apparently with Midwest, to try to solve some of their problems and -- (Interjection) -- Miss West, yes. -- and Midwest really do not have any better of a reputation in many many respect than TransAir does and so I don't know really what they are going to achieve other than perhaps a new chairman of the board which I admit could be a good man, he's young, he's a driver and maybe he will help solve some of the problems, but he'll only be able to solve them if he has the confidence and ability to work without being under the thumb of the directors every minute of the

(MR. BEARD cont'd.) . . . . day as the others have in the past.

I can't help but read into the record a letter that was brought to my attention, written to the Free Press on July 1969, by D. R. Vermeulen of God's Lake Narrows, Manitoba, and he sets out the problem really in respect to charter services within the north, which was the second part of the resolution, and unfortunately a part in which Midwest have a great deal to say. And he said, "A situation is developing in the north that people living in the relative comfort of the south should be made aware of it. We are an isolated community virtually dependent on air service. We are at present being served by Midwest Air Lines exclusively. We are not being served. We have been promised scheduled service three times a week from Winnipeg but the scheduled run is being used to move tourists into these places and we are left with no service. Passengers are being refused seats; outgoing mail will not be accepted and needed foodstuff are not being delivered, all to make room for American tourists. It does not seem right that because Midwest has an exclusive service into this part of the north, they should be able to deny native Canadians service that is expected without thought in the south. This should not have the power to put Canadian mail in an inferior position to the tourist business. We pay as much for our mail service as do the people in the south and they certainly wouldn't tolerate a situation such as this. I am sure the Canadian Government would not tolerate a situation in the south where people with return tickets on a flight are refused a seat because the airline wants to move tourists. Our only means of obtaining perishable foodstuff is via air service. This vitally needed commodity is not being delivered in edible condition in order that the airlines can move tourists. I realize that the tourist business is important to Manitoba but surely mail and food should take first place. Possibly if another airline were given licence to fly mail and scheduled runs, the competition would bring about better service. It seems once again that the native people of the north are being made to suffer simply because of the place they choose to live. It needs investigation." And this, Mr. Speaker, was a letter written by the manager of the Hudson Bay Company, and when he becomes frustrated enough to write, then I am sure that it is a concern that authorities should be considering very carefully.

There is in fact other evidence - in fact I had one brought before me this afternoon. One of our assistants could give it in more detail, but I believe they mailed a letter to his son in Gillam, mailed it I believe on August 22nd and it arrived on September 9th. Maybe I've got the dates wrong, but it was quite a length of time between the time the letter got from Winnipeg to Gillam and it was quite a lot longer between when the letter got from Gillam to Winnipeg. There is a problem certainly with mail service in many of the smaller areas and I hadn't really realized it had got so bad in respect to service in the Gillam area. But in many spots in the isolated communities themselves, Mr. Speaker, we find that the mail itself is left to the discretion of the carrier. This means that they can take it or they can leave it. If they've got room, they'll take it; and if they haven't, they won't. You can imagine what would happen to a frustrated old age pensioner who maybe has to wait a week, two weeks, and sometimes up to a month, to get his pension; family allowances fall into the same category. Mail is an intricate part of isolated communities, just as it is part of the services in the southern part of this province.

This goes along with all other charter type services, and if I could come back to it once more, I would impress upon you the fact that I brought this up was to bring to light air communication and air transportation in the north, and the fact that when a charter is requested, it's reviewed by a board that could be a thousand or 1,500 or 2,000 miles away from the service which they're applying for. Never, Mr. Speaker, never do they get around to coming back to the community to find out what their thoughts are before they decide about the service. So actually the only ones that appear before the board are the other air carriers in the north which want to keep out opposition. And I don't think this is fair. I don't think it's right. I think that free enterprise itself is something that has to be followed through completely, for if there's a breakdown somewhere along the line then we fall into the category of bringing franchises and monopolies which hurt us rather than help us. This is why I hope that this would pass and I would hope that the Air Transportation Committee can consider offering positions to the governments of the provinces so that they can participate and help, act as ombudsmen when these different companies want to charter or want to ask for charters. And I might again state that the very problem is coming back to roost when we're considering the Fish Marketing Board, because here is one problem that has already arisen and the Commission is going to have trouble with it.

(MR. BEARD cont'd.)

Thank you very much, Mr. Speaker.

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

MR. SPEAKER: The proposed resolution of the Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I move, seconded by the Honourable Member from Fort Garry,

WHEREAS Railway Costing Order - 6313 and the order respecting Costing Manuals - 61314, have been issued by the Railway Transport Commission on August 5th, 1969,

WHEREAS several communities and municipalities in Manitoba now face application for abandonment of the railway branch lines in Manitoba,

WHEREAS these applications if allowed will result in severe economic and social dislocation and will have disruptive effects in the rural areas of Manitoba,

WHEREAS the Provincial Government has recognized the importance of transportation by forming the Department of Transportation,

THEREFORE BE IT RESOLVED that the Provincial Government assume full responsibility for representing the communities and business interests affected in hearings to be held by the Railway Transport Committee to consider applications for branch line abandonment.

MR. SPEAKER: My immediate reaction is that it may be preferable if this were worded in the abstract. It could conceivably involve expenditure of money.

MR. SPIVAK: By saying "give consideration to assuming responsibility." I'm assuming that the Speaker is suggesting "give consideration to assuming full responsibility." -- (Interjection) -- All right. Well, Mr. Speaker, I'm prepared to amend it on that.

MR. SPEAKER: Consider the advisability of.

MR. SPIVAK: Consider the advisability - yes.

MR. PAULLEY: Mr. Speaker, . . . to inserting that if that is the desire.

MR. SPEAKER: Agreed then that the correction be allowed? (Agreed.)

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Well, Mr. Speaker, I'll commence my remarks now. It's obvious I will not be able to finish in time and it will be standing . . .

MR. PAULLEY: . . . if my honourable friend might prefer to just leave it and give us the benefit of full remarks next week. Of course it's up to him.

MR. SPIVAK: Well, Mr. Speaker, just for my information, will it appear first on the Order Paper in connection with the resolutions? Will it appear first on the Order Paper in connection with the resolutions?

MR. PAULLEY: In its proper place. I don't know quite what the order, but it would be in its proper place. It would not go down to the bottom of the resolutions.

MR. SPEAKER: Order please.

MR. PAULLEY: I believe, Mr. Speaker, I would be correct in saying it would be in the same place on the next Order Paper whether or not the member spoke. Is that not true?

-- (Interjection) -- Oh, okay, I'm in error. Go ahead.

MR. SPIVAK: Mr. Speaker, let me just commence my remarks. It's obvious I'm going to have to speak -- (Interjection) -- No, not automatically, not unless I commence my remarks.

Well, may I very simply say that unfortunately this resolution has come up late today and late in the Session. It happens to be an important one. It affects many areas in Manitoba, and I would hope that there would be an opportunity when we debate Private Members' resolutions on next Tuesday to deal with this in some greater depth.

MR. PAULLEY: I would suggest, Mr. Speaker, what we should do in order that the resolution is open now in the name of the honourable member seeing he has introduced the motion and spoken to it, that the House would adjourn until 9:30 on Monday morning. I believe that is your prerogative to adjourn the House, call it 5:30.

MR. SPEAKER: I believe it calls for - being Friday, has it not been the custom to receive a motion to that effect?

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Cultural Affairs, that the House do now adjourn and reconvene at 9:30 on Monday morning.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 9:30 Monday morning.